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PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1259)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

FINANCIAL HIGHLIGHTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

Revenue increased by about 4.7% over the same period in 2024 to approximately HK\$263.9 million.

Gross profit increased by about 7.1% over the same period in 2024 to approximately HK\$69.1 million. Gross profit margin increased by around 0.6% over the same period in 2024 to about 26.2%.

Loss for the period decreased by about 13.1% over the same period in 2024 to approximately HK\$28.6 million.

Basic loss per share increased by about 3.0% over the same period in 2024 to approximately HK\$1.36 cents.

The board (the “**Board**”) of directors (the “**Directors**”) of Prosperous Future Holdings Limited (the “**Company**”) hereby presents the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”) together with the unaudited comparative figures for the corresponding period in 2024 and audited comparative figures at 31 December 2024, and the relevant explanatory notes as set out below. The condensed consolidated results are unaudited, but have been reviewed by the audit committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

| | | Six months ended 30 June | |
|--|--------------|--------------------------|------------------------|
| | | 2025 | 2024 |
| | | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | <i>Notes</i> | (unaudited) | (unaudited) |
| Revenue | 4 | 263,907 | 251,982 |
| Cost of sales | | <u>(194,792)</u> | <u>(187,436)</u> |
| Gross profit | | 69,115 | 64,546 |
| Other income and gains | 5 | 3,657 | 5,425 |
| Selling and distribution expenses | | (18,410) | (21,659) |
| Administrative expenses | | (77,726) | (61,579) |
| Other expenses | 6 | (3,272) | (17,642) |
| Finance costs | 7 | (301) | (359) |
| Share of profits of associates | | <u>324</u> | <u>–</u> |
| Loss before tax | 8 | (26,613) | (31,268) |
| Income tax expense | 9 | <u>(1,939)</u> | <u>(1,586)</u> |
| Loss for the period | | <u>(28,552)</u> | <u>(32,854)</u> |
| Loss for the period attributable to equity holders of the Company | | (29,932) | (29,512) |
| Profit/(loss) for the period attributable to non-controlling interests | | <u>1,380</u> | <u>(3,342)</u> |
| Loss for the period | | <u>(28,552)</u> | <u>(32,854)</u> |

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2025

| | | Six months ended 30 June | |
|---|------|--------------------------|------------------------|
| | | 2025 | 2024 |
| | | HK\$'000 | HK\$'000 |
| | Note | (unaudited) | (unaudited) |
| Loss for the period | | <u>(28,552)</u> | <u>(32,854)</u> |
| Items that will not be reclassified to profit or loss in subsequent periods: | | | |
| Gain on change in fair value of financial assets at fair value through other comprehensive income | | <u>25,706</u> | <u>10,818</u> |
| Total other comprehensive income for the period | | <u>25,706</u> | <u>10,818</u> |
| Total comprehensive expense for the period | | <u><u>(2,846)</u></u> | <u><u>(22,036)</u></u> |
| Total comprehensive (expense)/income for the period attributable to: | | | |
| – Equity holders of the Company | | <u>(4,226)</u> | <u>(18,694)</u> |
| – Non-controlling interests | | <u>1,380</u> | <u>(3,342)</u> |
| Total comprehensive expense for the period | | <u><u>(2,846)</u></u> | <u><u>(22,036)</u></u> |
| | | 2025 | 2024 |
| | | HK cents | HK cents |
| | | (unaudited) | (unaudited) |
| Loss per share | 11 | | |
| Basic | | <u><u>(1.36)</u></u> | <u><u>(1.32)</u></u> |
| Diluted | | <u><u>(1.36)</u></u> | <u><u>(1.32)</u></u> |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

| | | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|--|--------------|---|---|
| | <i>Notes</i> | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 12 | 1,059 | 1,482 |
| Right-of-use assets | | 7,624 | 6,314 |
| Investment properties | 12 | 38,600 | 41,000 |
| Interest in associates | | 8,017 | 7,693 |
| Goodwill | 13 | 43,715 | 40,781 |
| Financial assets at fair value through other comprehensive income | 14 | 209,200 | 183,494 |
| Deferred tax assets | | 675 | 874 |
| Loan and interest receivables | 15 | 3,508 | – |
| Prepayments, deposits and other receivables | 17 | 59,788 | 57,675 |
| | | <u>372,186</u> | <u>339,313</u> |
| CURRENT ASSETS | | | |
| Inventories | | 52,045 | 37,568 |
| Loan and interest receivables | 15 | 408 | – |
| Trade receivables | 16 | 60,990 | 69,957 |
| Prepayments, deposits and other receivables | 17 | 28,811 | 25,277 |
| Segregated funds net assets | | 1,271,638 | – |
| Cash held on behalf of clients | | 467,218 | 223,522 |
| Cash and bank balances | | 267,262 | 389,388 |
| | | <u>2,148,372</u> | <u>745,712</u> |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2025

| | | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|--|-------|---|---|
| | Notes | | |
| CURRENT LIABILITIES | | | |
| Trade payables | 18 | 506,572 | 335,483 |
| Other payables and accruals | 19 | 35,156 | 38,638 |
| Segregated funds net liabilities | | 1,271,638 | – |
| Lease liabilities | | 8,076 | 6,848 |
| Income tax payable | | 3,135 | 4,040 |
| | | <u>1,824,577</u> | <u>385,009</u> |
| NET CURRENT ASSETS | | <u>323,795</u> | <u>360,703</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>695,981</u> | <u>700,016</u> |
| NON-CURRENT LIABILITIES | | | |
| Lease liabilities | | <u>1,875</u> | <u>3,064</u> |
| | | <u>1,875</u> | <u>3,064</u> |
| NET ASSETS | | <u>694,106</u> | <u>696,952</u> |
| EQUITY | | | |
| Share capital | | 22,034 | 22,034 |
| Reserves | | <u>668,495</u> | <u>672,721</u> |
| Equity attributable to equity holders of the Company | | 690,529 | 694,755 |
| Non-controlling interests | | <u>3,577</u> | <u>2,197</u> |
| TOTAL EQUITY | | <u><u>694,106</u></u> | <u><u>696,952</u></u> |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. CORPORATE INFORMATION

Prosperous Future Holdings Limited was incorporated as an exempted company with limited liability in the Cayman Islands. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company's registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business in Hong Kong is located at 17/F., EC Healthcare Tower (Central), Nos. 19-20 Connaught Road Central, Central, Hong Kong.

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in the provision of food and beverage services, provision of financial business, properties holding and investment holding.

The unaudited condensed consolidated interim financial statements of the Group, comprising the Company and its subsidiaries, are presented in Hong Kong Dollars ("**HK\$**"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board and the applicable disclosure requirements under Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). The unaudited condensed consolidated interim financial statements does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 December 2024.

Other than the changes in accounting policies resulting from application of new and amendments to IFRS Accounting Standards, the accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2024.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

In the current period, the Group has applied, for the first time, the following amendments to the IFRS Accounting Standards issued by the International Accounting Standard Board, which is mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the Group's unaudited condensed consolidated interim financial statements.

Amendments to IAS 21

Lack of Exchangeability

The adoption of the above amendments to IFRS Accounting Standards in the current period has no material effect on the amounts reported and/or disclosures set out in these unaudited condensed consolidated interim financial statements.

The Group has not applied any new or revised IFRS Accounting Standards that have been issued but are not yet effective for the current accounting period.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following operating segments based on their products and services:

- (a) Food and beverage – sale of frozen food and beverage products
- (b) Financial business – (i) provision of professional services, such as fund setup and administration, consultancy and co-ordination, corporate and accounting services, data analysis, provision of services regarding dealing in securities, futures contracts and other related products, margin financing, advising on securities and asset management services, securities investment and money lending; (ii) provision of credit card services to individuals or corporation; (iii) insurance and wealth management
- (c) Properties holding

The Group's management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income derived from bank deposits, other unallocated income and gains, finance costs as well as corporate and other unallocated expenses are excluded from such measurement.

Segment assets exclude unallocated property, plant and equipment, right-of-use assets, prepayments, deposits and other receivables, deferred tax assets and cash and bank balances as these assets are managed on a group basis. Segment liabilities exclude unallocated other payables and accruals, lease liabilities, bank borrowings, income tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

3. OPERATING SEGMENT INFORMATION (Continued)

| | Food and beverage <i>HK\$'000</i> | Financial business <i>HK\$'000</i> | Properties holding <i>HK\$'000</i> | Total <i>HK\$'000</i> |
|--|---|--|--|--------------------------|
| Segment revenue and segment results for the six months ended 30 June 2025 (unaudited) | | | | |
| Segment revenue | <u>213,811</u> | <u>49,452</u> | <u>644</u> | <u>263,907</u> |
| Segment profit/(loss) | <u>5,364</u> | <u>(24,101)</u> | <u>(2,637)</u> | <u>(21,374)</u> |
| Interest income from bank deposits | | | | 3,064 |
| Other unallocated income and gains | | | | 68 |
| Corporate and other unallocated expenses | | | | (8,394) |
| Share of profit of associates | | | | 324 |
| Finance costs | | | | <u>(301)</u> |
| Loss before tax | | | | <u>(26,613)</u> |
| | | | | |
| | Food and beverage <i>HK\$'000</i> | Financial business <i>HK\$'000</i> | Properties holding <i>HK\$'000</i> | Total <i>HK\$'000</i> |
| Segment revenue and segment results for the six months ended 30 June 2024 (unaudited) | | | | |
| Segment revenue | <u>203,800</u> | <u>47,598</u> | <u>584</u> | <u>251,982</u> |
| Segment profit/(loss) | <u>4,019</u> | <u>(10,463)</u> | <u>(17,852)</u> | <u>(24,296)</u> |
| Interest income from bank deposits | | | | 3,463 |
| Other unallocated income and gains | | | | 1,765 |
| Corporate and other unallocated expenses | | | | (11,841) |
| Finance costs | | | | <u>(359)</u> |
| Loss before tax | | | | <u>(31,268)</u> |

3. OPERATING SEGMENT INFORMATION (Continued)

| | Food and beverage <i>HK\$'000</i> | Financial business <i>HK\$'000</i> | Properties holding <i>HK\$'000</i> | Total <i>HK\$'000</i> |
|--|---|--|--|--------------------------|
| Segment assets and segment liabilities as at 30 June 2025 (unaudited) | | | | |
| Segment assets | 135,124 | 2,272,185 | 40,149 | 2,447,458 |
| Goodwill | | | | 43,715 |
| Corporate and other unallocated assets | | | | 29,385 |
| Total assets | | | | 2,520,558 |
| Segment liabilities | 20,315 | 1,804,650 | 322 | 1,825,287 |
| Corporate and other unallocated liabilities | | | | 1,165 |
| Total liabilities | | | | 1,826,452 |
| | Food and beverage <i>HK\$'000</i> | Financial business <i>HK\$'000</i> | Properties holding <i>HK\$'000</i> | Total <i>HK\$'000</i> |
| Segment assets and segment liabilities as at 31 December 2024 (audited) | | | | |
| Segment assets | 128,123 | 837,132 | 42,757 | 1,008,012 |
| Goodwill | | | | 40,781 |
| Corporate and other unallocated assets | | | | 36,232 |
| Total assets | | | | 1,085,025 |
| Segment liabilities | 17,723 | 366,076 | 297 | 384,096 |
| Corporate and other unallocated liabilities | | | | 3,977 |
| Total liabilities | | | | 388,073 |

4. REVENUE

An analysis of the Group's revenue by major products and services categories for the period are as follows:

| | Six months ended 30 June | |
|--|---------------------------------|--------------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| | (unaudited) | (unaudited) |
| Income from food and beverage business | 213,811 | 203,800 |
| Income from provision of professional services | 29,638 | 36,555 |
| Income from provision of services regarding dealing in securities, futures contracts and other related products | 3,604 | 4,089 |
| Income from asset management and advising on securities services | 5,556 | 3,657 |
| Income from credit card handling charge | 6,929 | 3,267 |
| Income from insurance and wealth management services | 3,558 | – |
| | <hr/> | <hr/> |
| Revenue from contracts with customers | 263,096 | 251,368 |
| Interest income from money lending business | 167 | – |
| Margin interest income from securities brokerage business | – | 30 |
| Rental income from lease of investment properties | 644 | 584 |
| | <hr/> | <hr/> |
| Revenue from other sources | 811 | 614 |
| | <hr/> | <hr/> |
| Total revenue | 263,907 | 251,982 |
| | <hr/> | <hr/> |

4. REVENUE (Continued)

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by timing of revenue recognition:

| | Six months ended 30 June | |
|-------------------------------|--------------------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Timing of revenue recognition | | |
| At a point in time | 234,120 | 220,780 |
| Over time | 28,976 | 30,588 |
| | <u>263,096</u> | <u>251,368</u> |

5. OTHER INCOME AND GAINS

| | Six months ended 30 June | |
|--|--------------------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Interest income from bank deposits | 3,064 | 3,463 |
| Net foreign exchange gains | – | 481 |
| Reversal of impairment loss on loan and interest receivables | 500 | 657 |
| Reversal of impairment loss on trade receivables | – | 199 |
| Sundry income | 93 | 625 |
| | <u>3,657</u> | <u>5,425</u> |
| Other income and gains | <u>3,657</u> | <u>5,425</u> |

6. OTHER EXPENSES

| | Six months ended 30 June | |
|--|--------------------------|-------------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Impairment loss on trade receivables | 836 | – |
| Impairment loss on margin loan receivables | 36 | 242 |
| Loss on change in fair value of investment properties (<i>note 12</i>) | 2,400 | 8,400 |
| Impairment loss on properties for development | – | 9,000 |
| | <u> </u> | <u> </u> |
| Other expenses | <u>3,272</u> | <u>17,642</u> |

7. FINANCE COSTS

| | Six months ended 30 June | |
|------------------------------------|--------------------------|-------------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Interest on bank borrowings | – | 2 |
| Finance costs on lease liabilities | 301 | 357 |
| | <u> </u> | <u> </u> |
| Finance costs | <u>301</u> | <u>359</u> |

8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

| | Six months ended 30 June | |
|--|--------------------------|-----------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Cost of inventories sold | 188,615 | 179,254 |
| Depreciation of property, plant and equipment | 438 | 849 |
| Depreciation of right-of-use assets | 2,880 | 4,169 |
| Storage expenses | 8,974 | 9,880 |
| Employee benefit expenses (including directors' remuneration): | | |
| Wages and salaries | 49,507 | 35,925 |
| Retirement benefit scheme contributions | 1,524 | 930 |
| Total staff costs | <u>51,031</u> | <u>36,855</u> |
| Auditor's remuneration | <u>442</u> | <u>318</u> |
| Net foreign exchange losses/(gains) | <u>1,889</u> | <u>(481)</u> |

9. INCOME TAX EXPENSE

| | Six months ended 30 June | |
|--------------------------|--------------------------|---------------------|
| | 2025 | 2024 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | (unaudited) | (unaudited) |
| Current tax expense | 1,741 | 1,363 |
| Deferred tax charging | <u>198</u> | <u>223</u> |
| Total income tax expense | <u>1,939</u> | <u>1,586</u> |

Hong Kong Profits Tax is calculated in accordance with the two-tiered Hong Kong profits tax rates regime for both periods presented.

Under the two-tiered Hong Kong profits tax rates regime, the first HK\$2 million of the assessable profits of the qualifying corporation will be taxed at 8.25% (2024: 8.25%), and assessable profits above HK\$2 million will be taxed at 16.5% (2024: 16.5%). The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5% (2024: 16.5%).

10. DIVIDENDS

The Directors do not recommend any payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

11. LOSS PER SHARE

The calculation of the basic loss per share attributable to the equity holders of the Company is based on the following data:

| | | Six months ended 30 June | |
|--|--|---------------------------------|--------------------------------|
| | | 2025 | 2024 |
| | | HK\$'000 | HK\$'000 |
| | | (unaudited) | (unaudited) |
| Loss | | | |
| Loss for the purpose of basic loss per share | | | |
| Loss for the period attributable to equity holders of the Company | | (29,932) | (29,512) |
| | | <u><u>(29,932)</u></u> | <u><u>(29,512)</u></u> |
| | | Six months ended 30 June | |
| | | 2025 | 2024 |
| | | '000 | '000 |
| | | (unaudited) | (unaudited) |
| Number of shares | | | |
| Weighted average number of ordinary shares for the purpose of basic loss per share | | | |
| | | 2,203,361 | 2,241,283 |
| | | <u><u>2,203,361</u></u> | <u><u>2,241,283</u></u> |

For the periods ended 30 June 2025 and 2024, basic loss per share is the same as diluted loss per share. There are no dilutive effects on the share options granted as they are anti-dilutive.

12. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the current period, the Group acquired certain property, plant and equipment at the cost of approximately HK\$15,000 (six months ended 30 June 2024: approximately HK\$110,000), and no disposal was made during the both period, and resulting in no gain or loss on disposal.

The Group's investment properties at the end of the reporting period were valued by external valuer, B.I. Appraisal Limited, being independent qualified professional valuer not connected with the Group.

In estimating the fair value of the investment properties, the highest and the best use of the properties is their current use. Investment method is adopted for the current period as the investment properties have been sub-divided and partially rented out during the current period and the directors are of the opinion that the investment method is appropriate for estimation of the fair value of the investment properties at the end of the reporting period. There has been no change from the valuation technique used in the prior year ended 31 December 2024. The resulting decrease in fair value of investment properties amounted to HK\$2,400,000 (six months ended 30 June 2024: decrease in fair value HK\$8,400,000).

13. GOODWILL

| | 30 June 2025 HK\$'000 (unaudited) | 31 December 2024 HK\$'000 (audited) |
|--|--|--|
| Cost | | |
| At beginning of the period/year | 48,313 | 48,313 |
| Impact on acquisition of a subsidiary | 2,934 | — |
| | 51,247 | 48,313 |
| Accumulated impairment losses | | |
| At beginning and end of the period/year | 7,532 | 7,532 |
| Carrying amount at end of the period/year | 43,715 | 40,781 |

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|---|---|---|
| Financial assets at fair value through other comprehensive income | | |
| – Equity securities listed in Hong Kong | 20,795 | 15,180 |
| – Unlisted investment fund | 188,405 | 168,314 |
| | <u>209,200</u> | <u>183,494</u> |

15. LOAN AND INTEREST RECEIVABLES

| | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|---|---|---|
| Loan and interest receivables thereon | | |
| – within one year | 3,112 | 3,204 |
| – in the second to fifth year | 3,508 | – |
| – over five years | – | – |
| Loan and interest receivables, gross amount | 6,620 | 3,204 |
| Less: Impairment loss recognised | (2,704) | (3,204) |
| | <u>3,916</u> | <u>–</u> |
| Analysed for reporting as: | | |
| Non-current assets | 3,508 | – |
| Current assets | 408 | – |
| | <u>3,916</u> | <u>–</u> |

15. LOAN AND INTEREST RECEIVABLES (Continued)

Movements during the period/year are as follows:

| | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|--|---|---|
| At beginning of the period/year | – | – |
| Addition on loan receivables | 3,749 | – |
| Interest income on loan receivables | 167 | – |
| Loan and interest repaid by borrowers | (500) | (757) |
| Reversal of impairment loss recognised (<i>note 5</i>) | 500 | 757 |
| | <u>3,916</u> | <u>–</u> |
| At end of the period/year | <u>3,916</u> | <u>–</u> |

16. TRADE RECEIVABLES

| | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|---|---|---|
| Trade receivables arising from dealing in securities and futures contracts services | | |
| – clearing house, brokers and cash clients (<i>note a</i>) | 1,161 | 6,976 |
| – margin clients (<i>note b</i>) | – | 36 |
| Trade receivables arising from other businesses (<i>note c</i>) | 62,178 | 64,458 |
| | <u>63,339</u> | <u>71,470</u> |
| Trade receivables, gross amount | 63,339 | 71,470 |
| Less: allowance for trade receivables arising from other businesses | (2,349) | (1,513) |
| | <u>60,990</u> | <u>69,957</u> |

16. TRADE RECEIVABLES (Continued)

Notes:

- (a) The settlement terms of the trade receivables from clearing house, brokers and cash clients are one to two days after trade date. The trade receivables as at 30 June 2025 are not past due based on credit terms, are not impaired and were settled subsequent to 30 June 2025. No aging analysis of these trade receivables are disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.
- (b) The trade receivables from margin clients are repayable on demand and carry interest at interest rate ranged from 8.0% to 12.0% per annum. For credit facilities granted by the Group to margin clients, the margin clients are required to pledge their securities collateral to the Group, and the credit facilities granted is determined by the discounted market value of pledged securities in accordance with the Group's margin lending policies at a specified loan-to-collateral ratio.

At the end of the reporting period, the market value of securities pledged as collateral in respect of the trade receivables from margin clients were nil (31 December 2024: approximately HK\$36,000).

No aging analysis of the trade receivables from margin clients are disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.

- (c) The trade receivables arising from other businesses include trade receivables arising from food and beverage, provision of professional services and properties holding business. The Group's trading terms with its customers of other businesses are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 days to 180 days (31 December 2024: 30 days to 180 days).

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest bearing.

16. TRADE RECEIVABLES (Continued)

An aged analysis of the trade receivables, net of allowance recognised, arising from other businesses as at the end of the reporting period, based on the invoice date, is as follows:

| | 30 June 2025 HK\$'000 (unaudited) | 31 December 2024 HK\$'000 (audited) |
|-----------------|--|--|
| Within 30 days | 36,227 | 45,686 |
| 31 to 60 days | 19,974 | 13,500 |
| 61 to 90 days | 1,039 | 2,505 |
| 91 to 180 days | 1,388 | 502 |
| 181 to 365 days | 74 | 178 |
| Over 365 days | 1,127 | 574 |
| | 59,829 | 62,945 |

17. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | 30 June 2025 HK\$'000 (unaudited) | 31 December 2024 HK\$'000 (audited) |
|--------------------------------|--|--|
| Prepayments | 21,053 | 17,616 |
| Deposits and other receivables | 67,546 | 65,336 |
| | 88,599 | 82,952 |
| Analysis for reporting as: | | |
| Non-current assets | 59,788 | 57,675 |
| Current assets | 28,811 | 25,277 |
| | 88,599 | 82,952 |

18. TRADE PAYABLES

| | 30 June 2025 <i>HK\$'000</i> (unaudited) | 31 December 2024 <i>HK\$'000</i> (audited) |
|--|---|---|
| Trade payables arising from dealing in securities and futures contracts services (<i>note a</i>) | 420,623 | 282,416 |
| Trade payables arising from provision of escrow services (<i>note b</i>) | 82,438 | 49,884 |
| Trade payables arising from other businesses (<i>note c</i>) | 3,511 | 3,183 |
| | <u>506,572</u> | <u>335,483</u> |

Notes:

- (a) The trade payables arising from dealing in securities and futures contracts services represent payables to clearing house and cash clients. The settlement terms of these trade payables are two days after trade date. No aging analysis of the trade payables to clearing house and cash clients is disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.
- (b) Trade payables arising from provision of escrow services represent funds placed in the Group's bank accounts by its escrow clients (cash deposited with the Group's bank accounts are presented as "cash held on behalf of clients" under current assets in the Group's condensed consolidated statement of financial position). Settlement of these payables is effected when the related funds transferred out of the Group's bank accounts in accordance with the escrow clients' instructions. No aging analysis of the trade payables to escrow client is disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.
- (c) The trade payables arising from other businesses include trade payables arising from food and beverage and provision of professional services business (excluding the dealing in securities and futures contract services and provision of escrow services).

18. TRADE PAYABLES (Continued)

An aged analysis of the trade payables arising from other businesses as at the end of the reporting period, based on the invoice date, is as follows:

| | 30 June | 31 December |
|----------------|--------------------|--------------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| | (unaudited) | (audited) |
| Within 30 days | 849 | 1,200 |
| 31 to 90 days | – | 948 |
| 91 to 180 days | 517 | 87 |
| Over 180 days | 2,145 | 948 |
| | 3,511 | 3,183 |

The trade payables are interest free and are normally settled on terms of 30 days to 180 days (31 December 2024: 30 days to 180 days).

19. OTHER PAYABLES AND ACCRUALS

| | 30 June | 31 December |
|-------------------------------|--------------------|--------------------|
| | 2025 | 2024 |
| | HK\$'000 | HK\$'000 |
| | (unaudited) | (audited) |
| Other payables | 9,128 | 11,797 |
| Accrued charges | 4,138 | 7,363 |
| Contract liabilities | 18,820 | 16,766 |
| Other tax payables | 5 | 4 |
| Amount due to related parties | 3,065 | 2,708 |
| | 35,156 | 38,638 |

MANAGEMENT DISCUSSION AND ANALYSIS

The principal activity of Prosperous Future Holdings Limited (the “**Company**”) is investment holding. The subsidiaries of the Company are principally engaged in the provision of food and beverage services, provision of financial business, properties holding and investment holding. The Company and its subsidiaries are hereinafter referred to as the “**Group**”.

BUSINESS REVIEW

Provision of Food and Beverage Services

During the Reporting Period, the Group’s business segment of provision of food and beverage services business posted a revenue of approximately HK\$213.8 million, representing an increase of about 4.9% over the same period of last year (30 June 2024: approximately HK\$203.8 million). Despite the adverse economic environment due to slowdown of local consumption demand and severe market competition, our strategy to focus on sales of premium products has effectively bolstered our market position and contributed an uplift to revenue.

The provision of food and beverage services business recorded a segment profit of approximately HK\$5.4 million during the Reporting Period (30 June 2024: approximately HK\$4.0 million). The increase in profit is mainly due to the increase in revenue and decrease in selling and distribution expenses driven by decrease in storage and logistic costs.

Provision of Financial Business

The Group’s business segment of provision of financial business includes securities investment, provision of professional services, securities brokerage, margin financing, advising on securities and asset management services, money lending and credit card issuing and insurance and wealth management.

During the Reporting Period, the Group’s business segment of provision of financial business contributed a total revenue of approximately HK\$49.5 million to the Group (30 June 2024: approximately HK\$47.6 million), representing an increase of about 3.9% over the same period of last year.

The provision of financial business recorded a segment loss of approximately HK\$24.1 million during the Reporting Period (30 June 2024: approximately HK\$10.5 million).

– **Securities Investment Business**

The Group's securities investment includes investment in listed securities and private unlisted fund for long-term purposes which are classified as financial assets at fair value through other comprehensive income.

As at 30 June 2025, the Group had a portfolio of securities investment of approximately HK\$209.2 million, which consisted of equity securities listed in Hong Kong of approximately HK\$20.8 million and unlisted investment fund of approximately HK\$188.4 million.

We stay cautious on opening new position on securities trading during the Reporting Period. For the Reporting Period, our securities investment business did not record any net fair value gain on financial assets at fair value through profit or loss (30 June 2024: Nil).

Details of the significant investment (including any investment in an investee with a value of 5% or more of the Group's total assets as of 30 June 2025) performance during the Reporting Period are as follow:

| Name of the investment | Movement for the Reporting Period | | | | | Unrealised gain recorded in other comprehensive income for the Reporting Period HK\$'000 | Dividend received during the Reporting Period HK\$'000 |
|------------------------------------|---|---------------------------------|----------------------|-------------------------------|---|---|---|
| | % to the total assets of the Group as at 1 January 2025 | Fair value as at 1 January 2025 | Change on fair value | Fair value as at 30 June 2025 | % to the total assets of the Group as at 30 June 2025 | | |
| | | HK\$'000 | HK\$'000 | HK\$'000 | | | |
| | % | | | | % | | |
| Unlisted fund | | | | | | | |
| HS Plus Global Investment Fund SPC | | | | | | | |
| – APLUS Asset Growth SP | 15.51 | <u>168,314</u> | <u>20,091</u> | <u>188,405</u> | 7.47 | <u>20,091</u> | <u>–</u> |

Note:

HS Plus Global Investment Fund SPC – APLUS Asset Growth SP (“**HP Fund SPC**”) is established by certain external fund manager which is principally engaged in securities investments. The Group aims at long-term capital growth for its investment in HP Fund SPC which is classified as financial assets at fair value through other comprehensive income.

The securities investment business recorded a loss of approximately HK\$0.1 million (30 June 2024: approximately HK\$0.1 million).

– ***Securities Brokerage, Margin Financing, Asset Management and Professional Services Business***

The Group currently provides brokerage services for securities, futures and other related products, margin financing as well as asset management services, to individuals and corporate clients. With a well-structured team of experienced professionals, the Group also offers fund administration and other relevant professional services to investment funds and corporates.

For the Reporting Period, this business recorded a total turnover of approximately HK\$38.8 million (30 June 2024: approximately HK\$44.3 million) due to decrease in income from provision of professional services resulted from soft demand in fund administration and set-up services.

This business recorded a total profit of approximately HK\$7.1 million during the Reporting Period (30 June 2024: approximately HK\$6.1 million). The increase in profit is mainly attributable to the decrease in advertising expenses, which is largely offset by decrease in revenue as stated above.

An impairment loss of trade receivables arising from margin financing approximately HK\$36,000 (30 June 2024: approximately HK\$0.2 million) was recognised during the Reporting Period.

As at 30 June 2025, the total value of outstanding trade receivables arising from margin financing is zero. As at 30 June 2025, margin loans with gross carrying amount of HK\$6.4 million with interest rate of approximately 12.0% per annum and repayment on demand were assessed as credit-impaired due to margin shortfall. Those margin loans were secured by certain securities with no market value at the end of the Reporting Period.

As stated in the above paragraph, margin loans of two customers with the total gross carrying amount of approximately HK\$6.4 million were assessed as credit-impaired as at 30 June 2025. In prior year, the market price of listed securities pledged by those margin clients significantly declined, and they failed to fully make up the margin shortfall by providing sufficient monetary amount of additional collaterals or repayment. Accordingly forced sale of the relevant pledged securities of the clients' position in the open market were executed in the prior year. An accumulated impairment provision with a total amount of approximately HK\$6.4 million was made for these two exposures at the end of the Reporting Period.

The Group will continue to provide tailor-made financial solutions and professional services in connection with financial products and funds to our clients in future.

– ***Money Lending and Credit Card Business***

The Group's money lending and credit card business recorded a turnover of approximately HK\$7.1 million (30 June 2024: approximately HK\$3.3 million) due to increase in credit card handling charges for customers' retail purchases recognized during the Reporting Period.

As at 30 June 2025, the Group's money lending and credit card business has a gross carrying amount of loan and interest receivables of approximately HK\$6.6 million, representing (i) two unsecured loans of approximately HK\$3.1 million with average effective interest rate of 20.9% per annum with terms in 3-12 months and (ii) one secured loan of approximately HK\$3.5 million with effective interest rate of 10.0% per annum with a term in 24 months. The secured loan was granted to a shareholder of one of the Group's associate and was secured by charge on certain shares of this associate. In the event of default or failure to repay any outstanding amounts by the debtors, the Group has the right to proceed with sale of collaterals.

The provision of money lending and credit card business recorded a loss of approximately HK\$30.3 million (30 June 2024: approximately HK\$16.5 million). The increase was primarily due to the additional staff costs incurred which resulted from increase in headcount for our money lending and credit card business.

The Group accounts for its credit risk by providing for expected credit losses on a timely basis where appropriate. A reversal of impairment loss on loan and interest receivables of approximately HK\$0.5 million was recognised during the Reporting Period mainly due to the repayments by borrowers.

– ***Insurance and wealth management***

During the Reporting Period, the Group has successfully launched the insurance and wealth management operations and primarily focused on offering of private placement life insurance, which is a life insurance product offering both death benefit protection and accumulative investment growth opportunities to the policyholder within the policy. The Group's insurance and wealth management business recorded a turnover of approximately HK\$3.6 million due to fee income and related charges earned on the policy.

The insurance business posted a loss of approximately HK\$0.8 million, primarily driven by staff costs incurred during the Reporting Period.

The Group manages segregated funds on behalf of policyholders. As at 30 June 2025, the total value of investments for segregated funds net assets amounted at HK\$1,271.6 million. Under these policy contracts, the benefit amount is directly linked to the fair value of the investments held in the particular segregated fund. Segregated funds assets include a range of underlying investments in short-term securities, government debt securities and other investments. The contractual arrangements are such that the segregated fund policyholder bears the risk and rewards of the fund's investment performance. The segregated funds net liabilities, representing the obligation to pay the policyholders an amount equal to the fair value of the underlying investments, amounted at HK\$1,271.6 million as at 30 June 2025.

The Group will continue to provide comprehensive insurance solutions and wealth planning services to high net worth individuals in future.

Properties Holding

The Group currently holds certain industrial properties located at Cheung Sha Wan, Hong Kong and leased out some of these properties.

During the Reporting Period, the business segment of properties holding reported a revenue of approximately HK\$0.6 million (30 June 2024: HK\$0.6 million).

The properties holding business recorded a segment loss of approximately HK\$2.6 million (30 June 2024: approximately HK\$17.9 million).

A loss on change in fair value of investment properties of approximately HK\$2.4 million was provided during the Reporting Period (30 June 2024: loss of approximately HK\$8.4 million).

During the prior year ended 31 December 2024, the Group disposed its entire interest in Apex Magic International Limited (“**Apex Magic**”) together with the subsidiaries of Apex Magic, which held certain properties for redevelopment in Yuen Long, Hong Kong. No impairment loss on properties for development was provided during the Reporting Period (30 June 2024: approximately HK\$9.0 million).

FINANCIAL REVIEW

Revenue

During the Reporting Period, the revenue of the Group was approximately HK\$263.9 million, representing an increase of about 4.7% over the same period of last year (for the period ended 30 June 2024: approximately HK\$252.0 million).

Gross Profit and Gross Profit Margin

Gross profit of the Group for the Reporting Period was approximately HK69.1 million, representing an increase of about 7.1% as compared with HK\$64.5 million for the period ended 30 June 2024. The increase in overall gross profit was mainly due to increase in gross profit of financial business.

During the Reporting Period, the gross profit margin of the Group increased by around 0.6% over the same period of last year to about 26.2% (for the period ended 30 June 2024: approximately 25.6%). The increase in overall gross profit margin was primarily due to the increase in the gross profit margin for financial business.

The gross profit for the provision of food and beverage services business for the Reporting Period was approximately HK\$25.2 million (for the period ended 30 June 2024: approximately HK\$24.5 million). Gross profit margin was approximately 11.8%, representing a decrease of approximately 0.2% compared with the same period of last year.

The gross profit of provision of financial business for the Reporting Period was approximately HK\$43.3 million (for the period ended 30 June 2024: approximately HK\$39.4 million).

The gross profit of properties holding business for the Reporting Period was approximately HK\$0.6 million (for the period ended 30 June 2024: approximately HK\$0.6 million).

Other Income and Gains

Other income and gains mainly comprised of interest income from bank deposits, reversal of impairment loss on loan and interest receivables and net foreign exchange gains. Other income and gains amounted to approximately HK\$3.7 million for the Reporting Period, representing a decrease of 32.6% as compared with approximately HK\$5.4 million for the same period of last year. The decrease is primarily attributable to decrease in interest income from bank deposits and no net foreign exchange gains recognized for the Reporting Period.

Selling and Distribution Expenses

Selling and distribution expenses primarily consisted of storage and logistics expenses, advertising expenses and other expenses. Selling and distribution expenses amounted to approximately HK\$18.4 million for the Reporting Period, representing a decrease of about 15.0% as compared with about HK\$21.7 million for the period ended 30 June 2024. The decrease was driven by the decrease in advertising expenses incurred by our financial professional services business.

The selling and distribution expenses accounted for about 7.0% of the revenue during the Reporting Period (for the period ended 30 June 2024: approximately 8.6%), among which, storage and logistics expenses, as a percentage of revenue, decreased from about 5.4% for the period ended 30 June 2024 to about 4.7% for the Reporting Period.

Administrative Expenses

Administrative expenses primarily consisted of salaries and wages for administrative staff, professional fees, depreciation and other expenses. Administrative expenses of the Group amounted to approximately HK\$77.7 million for the Reporting Period (for the period ended 30 June 2024: approximately HK\$61.6 million), representing an increase of about 26.2% over the same period of last year. The increase was mainly due to increases in staff costs and professional fees during the Reporting Period.

Administrative expenses accounted for about 29.5% of the Group's revenue for the Reporting Period (for the period ended 30 June 2024: approximately 24.4%).

Other Expenses

Other expenses mainly comprised of impairment loss on properties for development, loss on change in fair value of investment properties and impairment loss on trade receivables and margin loan receivables. Other expenses amounted to approximately HK\$3.3 million for the Reporting Period, representing a decrease of 81.5% as compared with approximately HK\$17.6 million for the period ended 30 June 2024. The decrease is primarily attributable to no impairment loss on properties for development recorded and decrease in loss on change in fair value of investment properties recognized during the Reporting Period.

Finance Costs

The Group had finance costs of approximately HK\$0.3 million for the Reporting Period (30 June 2024: approximately HK\$0.4 million).

Disposal of Subsidiaries

Apex Magic International Limited (“Apex Magic”)

On 20 November 2024, the Company as the vendor entered into the sale and purchase agreement with Deutschland Auto Spare Parts GMBH Limited as the purchaser, to sell its entire interest in Apex Magic International Limited (“**Apex Magic**”), and 100% of all liabilities and debts owing by Apex Magic to the Company at a consideration of HK\$27 million (the “**Disposal**”). Apex Magic is a 50% shareholder of Jumbo Excel Investment Corporation (“**Jumbo Excel**”). Jumbo Excel, through its subsidiaries, held indirect interest in certain land and properties in Yuen Long, Hong Kong. As the highest applicable percentage ratio in respect of the Disposals on an aggregated basis exceeds 5% but is lower than 25%, the Disposal constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details of the Disposal, please refer to the Company’s announcement dated 20 November 2024. A net gain of approximately HK\$1.9 million was recognized for the Disposal.

Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Plans for Material Investments or Capital Assets

Save as disclosed in the above section headed “Disposal of Subsidiaries”, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies for the Reporting Period. Save as disclosed in the above section headed “Business Review – Provision of Financial Business”, the Group did not hold any significant investments as at 30 June 2025. The Group does not have any future plans in relation to material investments or capital assets.

Net Loss and Net Loss Margin

For the Reporting Period, loss attributable to equity holders of the Company amounted to approximately HK\$29.9 million as compared with loss attributable to equity holders of the Company of approximately HK\$29.5 million for the period ended 30 June 2024. The net loss margin was about 11.3% as compared with about 11.7% of net loss margin for the period ended 30 June 2024, with basic loss per share of approximately HK1.36 cents (basic loss per share for the period ended 30 June 2024: approximately HK1.32 cents).

Capital Expenditure

For the Reporting Period, the Group’s material capital expenditure amounted to approximately HK\$15,000, mainly used for renovation of our offices and acquisition of office equipment (for the period ended 30 June 2024: approximately HK\$0.1 million).

Financial Resources and Liquidity

As at 30 June 2025, cash and bank balances of the Group amounted to approximately HK\$267.3 million (31 December 2024: approximately HK\$389.4 million). The current ratio was 1.2 (31 December 2024: 1.9). Our liquidity remained healthy. The uses of balance of cash and bank balances were mainly as follows: firstly, providing the liquid capital and strengthening the operation of the provision of financial business; secondly, developing the provision of food and beverage services business; and thirdly, pursuing potential acquisition and investment opportunities.

Fundraising Activities of the Group

During the Reporting Period, the Company had not issued any equity securities for cash.

Loan and Interest Receivables

As at 30 June 2025, the Group's loan and interest receivables were approximately HK\$3.9 million (31 December 2024: Nil).

During the Reporting Period, the Group had provided a total of loans amounted at approximately HK\$3.7 million (31 December 2024: Nil), with an average annual interest rate of approximately 8.9%.

A reversal of impairment loss on loan and interest receivables of approximately HK\$0.5 million was recognised during the Reporting Period (30 June 2024: approximately 0.7 million).

There were no loan and interest receivables written off during the Reporting Period. (30 June 2024: approximately HK\$0.2 million).

Trade Receivables

As at 30 June 2025, the Group's trade receivables were approximately HK\$61.0 million (31 December 2024: approximately HK\$70.0 million). The amount included trade receivables arising from margin financing was nil (31 December 2024: approximately HK\$36,000) with repayment on demand clause and trade receivables arising from dealing in securities and futures contracts services (clearing house, brokers and cash clients) approximately HK\$1.2 million (31 December 2024: approximately HK\$7.0 million) to be settled one to two days after trade date. Besides, the Group usually grants a credit period of 30 to 180 days to the customers for settling trade receivables arising from the remaining businesses amounted at approximately HK\$59.8 million (31 December 2024: approximately HK\$62.9 million).

Trade Payables

As at 30 June 2025, trade payables were approximately HK\$506.6 million (31 December 2024: approximately HK\$335.5 million), of which included trade payables arising from dealing in securities and futures contracts services approximately HK\$420.6 million (31 December 2024: approximately HK\$282.4 million) to be settled one to two days after trade date and trade payables arising from provision of escrow services approximately HK\$82.4 million (31 December 2024: approximately HK\$49.9 million) of which payments shall be made upon client's request. Besides, the Group normally settled the remaining payables arising from other businesses amounted at approximately HK\$3.5 million (31 December 2024: approximately HK\$3.2 million) on terms of 30 to 180 days and kept good payment records.

Inventories

As at 30 June 2025, inventories of the Group were approximately HK\$52.0 million (31 December 2024: approximately HK\$37.6 million) and the inventory balance increased by about 38.5% over 31 December 2024.

Gearing Ratio

As at 30 June 2025, the current assets and total assets of the Group were approximately HK\$2,148.4 million and HK\$2,520.6 million respectively, the current liabilities and total liabilities of the Group were approximately HK\$1,824.6 million and HK\$1,826.5 million respectively. The gearing ratio (total liabilities/total assets) of the Group was approximately 72.5% (31 December 2024: approximately 35.8%).

Pledge of Assets

As at 30 June 2025 and 31 December 2024, the Group did not have any pledged assets for borrowings.

Capital Structure

The major objective of the Group's capital management is to ensure the ability of sustainable operations and maintain a healthy capital ratio in order to support its businesses and maximise the interests of the shareholders (the “**Shareholders**”) of the Company. The Group continued to emphasise the appropriate mix of equity and debt to ensure an efficient capital structure in order to reduce capital cost.

Risk of Foreign Exchange

The Group's business operations were denominated mainly in HK\$ and US dollars (“**USD**”) during the Reporting Period.

The Group's assets and liabilities are mainly denominated in HK\$ and USD at the end of the Reporting Period. Currently, the Group has not entered into any agreement or purchased any instrument to hedge the Group's foreign currency risk. Since the HK\$ is pegged to the USD, the Group's exposure to foreign currency risk in respect of asset and liabilities denominated in USD is considered to be minimal.

The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

Contingent Liabilities

As at 30 June 2025 and 31 December 2024, the Group had no material contingent liabilities.

OUTLOOK

The Group continues to create long-term values for its Shareholders by building up a well-diversified business portfolio comprised of our food and beverage business and financial business.

The global economy continued to face numerous uncertainties, exacerbated by escalating geopolitical tensions and intensifying trade protectionism, resulting in an unclear macroeconomic outlook. Locally, Hong Kong is undergoing a period of transition as it refines its role within both the global and regional economies, amid evolving local consumption patterns and shifting labor demographics.

Looking ahead to the second half of 2025, the business environment in Hong Kong is expected to remain challenging, with the community adopting a cautious and prudent stance. Shifts in consumption patterns have prompted a structural transformation within the food and beverage services sector, necessitating that market participants adapt to a fundamental realignment towards a new normal characterized by evolving consumer behaviors and fluctuating demand. The trend of cross-border consumption and dining among Hong Kong residents is anticipated to persist, while local consumption sentiment is likely to remain subdued. In response, the Group will continue to focus on consolidating its market position and nurturing robust relationships with a diverse portfolio of suppliers across multiple sourcing regions. Despite the prevailing uncertainties and market volatility, the Group remains confident that its strategic industry positioning, prudent management practices, and commitment to agility will underpin its sustained growth and success in the future.

Hong Kong's strategic position as a global hub for offshore RMB business and as a regional center for green technology and finance reinforces the Group's confidence in Hong Kong's continued prominence within the regional capital markets. Backed by strong support from the Mainland China Government, the Hong Kong Government has been actively promoting the city as a leading asset management center. Moreover, Asia remains an enduringly attractive region for financial services, given its status as a dynamic hub for wealth creation. While our credit card and insurance businesses are still in the early stages of development, we recognize them as important milestones toward achieving our long-term strategic goal of establishing a comprehensive financial services institution. The Group remains open to diversifying its financial services portfolio across Hong Kong and the wider Asian region should favorable opportunities arise.

In light of heightened uncertainty, the investment landscape remains highly volatile. The Group will continue to adopt a conservative approach when considering investments in securities and other financial products.

To create value for our shareholders, the Group will undertake continuous evaluation of the performance of its existing business operations while identifying segments that demonstrate growth potential. The Company will issue formal announcements and comply with all relevant reporting requirements under the Listing Rules as appropriate.

EMPLOYEES AND REMUNERATION

As at 30 June 2025, the Group employed 168 employees (as at 31 December 2024: 164 employees).

Employees of the Group are remunerated based on their individual performance, professional qualifications, experience in the industry and relevant market trends. In addition to basic salaries, year-end bonuses may be rewarded by the Group to those staff members with outstanding performance.

The Group operates the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for employees employed under the Hong Kong Employment Ordinance (Chapter 57 of the laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the Group and the employees are each required to make contributions to the plan at 5% of the employee’s relevant income, subject to a cap of monthly relevant income of HK\$30,000 per employee. There are no forfeited contributions for the MPF Scheme as the contributions are fully vested to the employees upon payments to the MPF Scheme.

Furthermore, pursuant to the relevant laws and regulations in the overseas region, the Group has joined the respective defined contribution retirement schemes for its local employees (the “**Overseas Retirement Schemes**”). The Group makes contributions to the Overseas Retirement Schemes at the applicable rates based on the amounts stipulated by the local government organisations. As at 30 June 2025, there were no forfeited contributions for the Overseas Retirement Schemes as the contributions were fully vested to the employees pursuant to the applicable laws and regulations.

In addition, a share option scheme was adopted by the Company in June 2021 for the purpose of providing incentive or reward to staff members and other eligible participants who make contributions to the success of the Group. The Directors believe that the compensation packages offered by the Group to its staff members are competitive in comparison with market standards and practices.

DIVIDEND

The Board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period.

AUDIT COMMITTEE

The audit committee of the Company, comprising the Company's three independent non-executive Directors, has reviewed the unaudited condensed consolidated results of the Company for the six months ended 30 June 2025, including accounting principles and practices adopted by the Group, and discussed financial reporting matters.

CORPORATE GOVERNANCE

The Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 of the Listing Rules during the period ended 30 June 2025 apart from the code provisions F.2.2 and C.2.1 as disclosed below.

Under code provision F.2.2 of the CG Code, the chairman of the Board should attend the annual general meeting. During the period ended 30 June 2025, the Company did not appoint any individual to be the chairman of the Board as the Board was still in the process of identifying a suitable candidate. Mr. Lau Ka Ho (“**Mr. Lau**”), the executive Director and chief executive officer of the Company, has chaired the annual general meeting held on 19 June 2025 (“**2025 AGM**”) and addressed questions raised by the Shareholders at the 2025 AGM. The chairman of the audit and nomination committees of the Board, members of remuneration committee of the Board and representatives of the Company’s auditor also attended the 2025 AGM and were available to address questions from the Shareholders.

Having considered the knowledge of the aforesaid attendees, including representation from the Company’s management and auditor, the Company considers that questions or issues raised by Shareholders would be sufficiently addressed and that an effective dialogue between the Company and the Shareholders has been maintained.

Under code provision C.2.1 of the CG Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. As aforesaid, the Company did not appoint any individual to be the chairman of the Board during the period ended 30 June 2025. Hence the Company deviated from the requirements under code provision C.2.1. The Board will nominate suitable candidate to act as chairman of the Board as soon as practicable and will make necessary announcement as and when appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as its own code of conduct regarding Directors’ dealings in the Company’s securities. Each Director has been given a copy of the Model Code. Specific enquiry has been made of all the Company’s Directors and they have confirmed their compliance with the Model Code throughout the period ended 30 June 2025.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

There are no significant events subsequent to 30 June 2025 which would materially affect the Group's operating and financial performance as of the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Company (www.pfh.hk) and the Stock Exchange (www.hkexnews.hk). The Company's interim report for the six months ended 30 June 2025, containing all the information required by the Listing Rules, will be dispatched to the Shareholders and available on the above websites in due course.

By order of the Board
Prosperous Future Holdings Limited
Lau Ka Ho
Chief Executive Officer and Executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises (i) two executive Directors, namely Mr. Lau Ka Ho and Mr. Chan Hoi Tik; (ii) one non-executive Director, namely Mr. Sze Wine Him Jaime; and (iii) three independent non-executive Directors, namely Ms. Chan Sze Man, Ms. Bu Yanan and Mr. Wong Sai Hung.