SUNWAH KINGSWAY
新華滙富

**SUNWAH KINGSWAY CAPITAL HOLDINGS LIMITED**
**新華滙富金融控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00188)**

# ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2025

The Board of Directors of Sunwah Kingsway Capital Holdings Limited (the "Company") hereby submit the consolidated financial results of the Company and its subsidiaries (the "Group") for the year ended 30 June 2025.

**CONSOLIDATED INCOME STATEMENT**
*For the year ended 30 June 2025*

| | *Notes* | **2025** | 2024 |
|---|---|---|---|
| | | ***HK$'000*** | *HK$'000* |
| **Revenue** | | | |
| Commission and fee income | | **17,698** | 20,702 |
| Interest income arising from financial assets at amortised cost | | **18,793** | 19,094 |
| Interest income arising from debt securities at fair value through profit or loss | | **2,398** | 1,595 |
| Dividend income | | **7,493** | 6,453 |
| Rental income | | **2,321** | 3,194 |
| | *3* | **48,703** | 51,038 |
| Net gain/(loss) on financial assets and liabilities at fair value through profit or loss | *4* | **3,923** | (28,838) |
| Other income and gain or losses | *5* | **720** | (714) |
| | | **53,346** | 21,486 |
| Commission expenses | | **(2,324)** | (1,239) |
| General and administrative expenses | | **(63,145)** | (65,390) |
| Finance costs | | **(5,740)** | (6,874) |
| Reversal of/(provision for) impairment losses on financial instruments | | **273** | (7,917) |
| Fair value changes on investment properties | | **(9,942)** | (7,568) |
| Changes on non-controlling interests in consolidated investment funds | | **(10,751)** | 5,472 |
| Gain on disposal of subsidiaries | | **–** | 4,030 |
| Share of loss of a joint venture | | **(1,031)** | (7) |
| Share of profits of associates | | **2,890** | 1,598 |
| **Loss before tax** | *6* | **(36,424)** | (56,409) |
| Income tax credit/(expenses) | *7* | **12** | (431) |
| **Loss for the year** | | **(36,412)** | (56,840) |
| **Attributable to:** | | | |
| Owners of the Company | | **(36,412)** | (56,654) |
| Non-controlling interests | | **–** | (186) |
| **Loss for the year** | | **(36,412)** | (56,840) |
| **Basic and diluted loss per share** | *9* | **(4.85) HK cents** | (7.64) HK cents |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 30 June 2025*

| | 2025<br>*HK$'000* | 2024<br>*HK$'000* |
|---|---|---|
| **Loss for the year** | **(36,412)** | (56,840) |
| **Other comprehensive income:** | | |
| *Item that will not be reclassified to profit or loss:* | | |
| Land and buildings held for own use | | |
| – Deficit on revaluation | **(46,249)** | (31,542) |
| – Income tax effect | **9,492** | 6,719 |
| | **(36,757)** | (24,823) |
| *Items that may be reclassified subsequently to profit or loss:* | | |
| Exchange differences on translation of foreign operations | **1,114** | (554) |
| Reclassification adjustment for foreign operations disposed of during the year | **–** | 667 |
| | **1,114** | 113 |
| **Other comprehensive income for the year** | **(35,643)** | (24,710) |
| **Total comprehensive income for the year** | **(72,055)** | (81,550) |
| **Total comprehensive income attributable to:** | | |
| Owners of the Company | **(72,055)** | (81,364) |
| Non-controlling interests | **–** | (186) |
| **Total comprehensive income for the year** | **(72,055)** | (81,550) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 30 June 2025*

| | Notes | 2025<br>HK$'000 | 2024<br>HK$'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Investment properties | | **58,657** | 68,599 |
| Properties and equipment | | **227,743** | 281,777 |
| Intangible assets | | **2,190** | 2,190 |
| Interest in a joint venture | | **22,770** | 23,801 |
| Interests in associates | | **23,025** | 20,109 |
| Loans to and amounts due from associates | | **14,790** | 13,798 |
| Other assets | | **3,409** | 4,413 |
| Financial assets at fair value through profit or loss | | **1,264** | 42,978 |
| | | **353,848** | 457,665 |
| **Current assets** | | | |
| Financial assets at fair value through profit or loss | | **261,030** | 213,096 |
| Accounts, loans and other receivables | *10* | **139,729** | 118,062 |
| Bank balances and cash – trust accounts | | **431,854** | 313,325 |
| Bank balances and cash | | **95,195** | 108,818 |
| | | **927,808** | 753,301 |
| **Current liabilities** | | | |
| Financial liabilities at fair value through profit or loss | | **4,997** | 8,302 |
| Net assets attributable to holders of non-controlling interests in consolidated investment funds | | **70,005** | 55,990 |
| Accruals, accounts and other payables | *11* | **470,410** | 344,924 |
| Lease liabilities | | **133** | 130 |
| Contract liabilities | | **3,682** | 19 |
| Bank loans and overdrafts | | **97,304** | 73,295 |
| Current tax liabilities | | **1,450** | 1,386 |
| | | **647,981** | 484,046 |
| **Net current assets** | | **279,827** | 269,255 |
| **Total assets less current liabilities** | | **633,675** | 726,920 |
| **Non-current liabilities** | | | |
| Deferred tax liabilities | | **7,630** | 17,118 |
| Lease liabilities | | **112** | 245 |
| | | **7,742** | 17,363 |
| **NET ASSETS** | | **625,933** | 709,557 |
| **CAPITAL AND RESERVES** | | | |
| Share capital | *12* | **76,026** | 74,452 |
| Reserves | | **549,907** | 635,105 |
| **Equity attributable to owners of the Company** | | **625,933** | 709,557 |
| **Non-controlling interests** | | **–** | – |
| **TOTAL EQUITY** | | **625,933** | 709,557 |

## NOTES:

### 1 APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time which are relevant to the Group:

| | |
|---|---|
| Amendments to HKFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current (the "2020 Amendments") |
| Amendments to HKAS 1 | Non-current Liabilities with Covenants (the "2022 Amendments") |
| Amendments to HKAS 7 and HKFRS 7 | Supplier Finance Arrangements |

Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period. The Group has reassessed the terms and conditions of its liabilities as at 1 July 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

**New and Revised HKFRS Accounting Standards in Issue But Not Yet Effective**

The Group has not applied the following new and revised HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and revised HKFRS Accounting Standards, if applicable, when they become effective.

| | |
|---|---|
| HKFRS 18 | Presentation and Disclosure in Financial Statements[3] |
| HKFRS 19 | Subsidiaries without Public Accountability: Disclosures[3] |
| Amendments to HKFRS 9 and HKFRS 7 | Amendments to the Classification and Measurement of Financial Instruments[2] |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4] |
| Amendments to HKAS 21 | Lack of Exchangeability[1] |
| Annual Improvements to HKFRS Accounting Standards – Volume 11 | Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2] |

1 Effective for annual periods beginning on or after 1 January 2025
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual/reporting periods beginning on or after 1 January 2027
4 No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below:

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 Consolidated Financial Statements, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19. Some of the Company's subsidiaries are considering the application of HKFRS 19 in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now. As there is no such transaction expected between the Group and its associate or joint venture, the amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 7 Financial Instruments: Disclosures: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the Guidance on implementing HKFRS 7 for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing HKFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 9 Financial Instruments: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 10 Consolidated Financial Statements: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKAS 7 Statement of Cash Flows: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

## 2 MATERIAL ACCOUNTING POLICIES

The consolidated financial statements has been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. In addition, the consolidated financial statements includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance.

## 3 REVENUE

The principal activities of the Group are investment in securities, securities broking and margin financing, provision of financial advisory services, money lending, other securities related financial services and leasing of investment properties.

| | 2025 | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Revenue from contracts with customers** | | |
| *Commission and fee income* | | |
| – securities, options, funds and futures brokerage | **7,517** | 6,308 |
| – underwriting and placements in equity capital markets | **3,916** | 603 |
| – corporate finance | **1,807** | 10,350 |
| – asset management | **117** | 78 |
| – handling and settlement fee income | **2,663** | 2,287 |
| – miscellaneous fee income | **1,678** | 1,076 |
| | **17,698** | 20,702 |
| **Revenue from other sources** | | |
| *Interest income arising from financial assets at amortised cost* | | |
| – bank deposits | **13,686** | 14,971 |
| – margin and cash clients | **383** | 431 |
| – loans | **4,142** | 2,947 |
| – others | **582** | 745 |
| | **18,793** | 19,094 |
| *Interest income arising from debt securities at fair value through profit or loss* | **2,398** | 1,595 |
| *Dividend income* | **7,493** | 6,453 |
| *Rental income* | **2,321** | 3,194 |
| | **31,005** | 30,336 |
| | **48,703** | 51,038 |

### BROKING SERVICES

The Group provides broking services to customers on securities, options, funds and futures trading. Commission income from broking services is determined at a certain percentage of the transaction value of the trades executed and is recognised as income on the date the trades are executed. Normal settlement terms are one or two days after trade date, unless specifically agreed with counterparties.

### CAPITAL MARKET SERVICES

The Group provides underwriting and placing services to customers, the revenue is recognised at a point in time. The service fee is charged when the relevant underwriting, sub-underwriting or financial products arrangement activities are completed.

## CORPORATE FINANCE SERVICES

The Group provides sponsor, financial and compliance advisory services to customers. During the year, the revenue for sponsor and financial advisory services are recognised over time or at a point in time, while for compliance advisory services is recognised over time.

For sponsor services, the Group considers that all the services promised in a particular contract of being a sponsor are interdependent and interrelated and should be therefore accounted for as a single performance obligation. For the contracts that provide the Group an enforceable right to payment for performance completed to date, the sponsor fees are recognised over time by measuring the progress using the output method and estimating the percentage of completion by key tasks performed to date. For other sponsor contracts, as it is unlikely that a customer can obtain benefit before the Group completes all its services up to listing or the completion of the underlying transaction and since the contracts do not provide the Group an enforceable right to payment for performance completed up to date, the sponsor fees are recognised at a point in time upon listing or when the underlying transactions are completed. Payments are received by installments in accordance to the completion of milestones as specified in the mandate.

For certain advisory services, as the Group provides services and the customers simultaneously receives and consumes the benefit provided by the Group, the fee is recognised over time. For other advisory services of which the performance obligations are fulfilled when all the relevant duties of the Group as stated in the contract are completed, the fee is recognised at a point in time.

## ASSET MANAGEMENT SERVICES

Asset management services to customers are recognised over time as the Group provides asset management services and the customers simultaneously receives and consumes the benefit provided by the Group. The asset management income is charged at a fixed percentage per annum of the asset value of the accounts under management of the Group.

## MISCELLANEOUS FEE INCOME

The Group provides services in securities, futures and options trading and customer's account handling. Miscellaneous fee including handling and other services fee income, which are recognised when the transaction are executed and services are completed.

## TRANSACTION PRICE ALLOCATED TO THE REMAINING PERFORMANCE OBLIGATION FOR CONTRACTS WITH CUSTOMERS

The Group applied the practical expedient for contracts either with original expected duration less than one year and did not disclose the aggregate amount of transaction price allocated to performance obligations of the broking, capital market, corporate finance and asset management services that are unsatisfied (or partly unsatisfied). The performance fee arising from asset management services which are constrained as at 30 June 2025 has been excluded from the transaction price and hence not disclosed. For the year ended 30 June 2025, there was no revenue recognised (2024: Nil) from performance obligations satisfied (or partially satisfied) in previous periods.

## DISAGGREGATION OF REVENUE

The following illustrates the disaggregated revenue information of the Group's revenue from contracts with customers:

**For the year ended 30 June 2025**

| Segments | Brokerage and financing *HK$'000* | Corporate finance and capital markets *HK$'000* | Asset management *HK$'000* | Others *HK$'000* | Total *HK$'000* |
|---|---|---|---|---|---|
| **Type of services** | | | | | |
| Brokerage service | 7,517 | – | – | – | 7,517 |
| Capital market service | – | 3,916 | – | – | 3,916 |
| Corporate finance service | – | 1,807 | – | – | 1,807 |
| Asset management service | – | – | 117 | – | 117 |
| Handling and settlement fee income | 2,663 | – | – | – | 2,663 |
| Other services | 855 | – | – | 823 | 1,678 |
| Total revenue from contracts with customers | 11,035 | 5,723 | 117 | 823 | 17,698 |
| **Geographical markets** | | | | | |
| Hong Kong | 10,989 | 5,723 | 117 | 823 | 17,652 |
| Other countries | 46 | – | – | – | 46 |
| Total revenue from contracts with customers | 11,035 | 5,723 | 117 | 823 | 17,698 |
| **Timing of revenue recognition** | | | | | |
| Services transferred at a point in time | 11,035 | 4,426 | 117 | 823 | 16,401 |
| Services transferred over time | – | 1,297 | – | – | 1,297 |
| Total revenue from contracts with customers | 11,035 | 5,723 | 117 | 823 | 17,698 |

For the year ended 30 June 2024

| Segments | Brokerage and financing *HK$'000* | Corporate finance and capital markets *HK$'000* | Asset management *HK$'000* | Others *HK$'000* | Total *HK$'000* |
|---|---|---|---|---|---|
| **Type of services** | | | | | |
| Brokerage service | 6,308 | – | – | – | 6,308 |
| Capital market service | – | 603 | – | – | 603 |
| Corporate finance service | – | 10,350 | – | – | 10,350 |
| Asset management service | – | – | 78 | – | 78 |
| Handling and settlement fee income | 2,287 | – | – | – | 2,287 |
| Other services | 432 | – | 26 | 618 | 1,076 |
| Total revenue from contracts with customers | 9,027 | 10,953 | 104 | 618 | 20,702 |
| **Geographical markets** | | | | | |
| Hong Kong | 8,641 | 10,953 | 104 | 618 | 20,316 |
| Other countries | 386 | – | – | – | 386 |
| Total revenue from contracts with customers | 9,027 | 10,953 | 104 | 618 | 20,702 |
| **Timing of revenue recognition** | | | | | |
| Services transferred at a point in time | 9,027 | 9,047 | 26 | – | 18,100 |
| Services transferred over time | – | 1,906 | 78 | 618 | 2,602 |
| Total revenue from contracts with customers | 9,027 | 10,953 | 104 | 618 | 20,702 |

## 4 NET GAIN/(LOSS) ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

| | **2025** ***HK$'000*** | 2024 *HK$'000* |
|---|---|---|
| Listed equity securities | **6,853** | (20,211) |
| Listed debt securities | **91** | (1,087) |
| Listed derivatives | **(3,245)** | (15) |
| Bond funds | **236** | 165 |
| Unlisted investment funds | **(78)** | 60 |
| Overseas unlisted equity securities | **66** | (7,750) |
| | **3,923** | (28,838) |

## 5 SEGMENT REPORTING

Information reported to senior management of the Company for the purposes of resource allocation and assessment of segment performance, focuses on the types of services provided. Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

| | | |
|---|---|---|
| Proprietary investment | : | Investment in securities for treasury and liquidity management, and structured deals including listed and unlisted equities, debt securities, bond funds and investment funds |
| Property investment | : | Investment in properties for receiving rental income and capital appreciation |
| Brokerage and financing | : | Provision of securities, options, funds and futures brokerage services, margin and other financing, factoring and other related services |
| Corporate finance and capital markets | : | Provision of financial advisory services to corporate clients in connection with the Listing Rules and acting as underwriting and placing agent in the equity capital market |
| Asset management | : | Provision of asset management and related advisory services to private equity funds and private clients |
| Others | : | Provision of management, administrative and corporate secretarial services, inter-group loan financing and inter-group office service |

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss. The segment assets are measured consistently with the Group's total assets except that inter-company balances are excluded from such measurement. Inter-segment revenues are charged among segments at an agreed rate with reference to the rate normally charged to third party customers, the nature of services or the costs incurred. Segment liabilities are not presented as they are not regularly reviewed by senior management.

| | 2025 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Proprietary investment *HK$'000* | Property investment *HK$'000* | Brokerage and financing *HK$'000* | Corporate finance and capital markets *HK$'000* | Asset management *HK$'000* | Others *HK$'000* | Consolidated *HK$'000* |
| **Segmental income statement** | | | | | | | |
| Commission and fee income | **200** | **–** | **11,035** | **5,723** | **117** | **623** | **17,698** |
| Interest income arising from financial assets at amortised cost | **588** | **210** | **17,876** | **7** | **2** | **110** | **18,793** |
| Interest income arising from debt securities at fair value through profit or loss | **2,398** | **–** | **–** | **–** | **–** | **–** | **2,398** |
| Other income | **7,493** | **2,321** | **–** | **–** | **–** | **–** | **9,814** |
| Inter-segment revenue | **17** | **–** | **1,717** | **–** | **2,524** | **16,384** | **20,642** |
| Segment revenue | **10,696** | **2,531** | **30,628** | **5,730** | **2,643** | **17,117** | **69,345** |
| Net gain/(loss) on financial assets and liabilities at fair value through profit or loss | **3,992** | **–** | **(69)** | **–** | **–** | **–** | **3,923** |
| Other income and gain or losses | **(35)** | **677** | **72** | **11** | **–** | **(5)** | **720** |
| Eliminations | **(17)** | **–** | **(1,717)** | **–** | **(2,524)** | **(16,384)** | **(20,642)** |
| | **14,636** | **3,208** | **28,914** | **5,741** | **119** | **728** | **53,346** |
| (Loss)/profit before tax | **(15,799)** | **(9,327)** | **3,790** | **(5,321)** | **(610)** | **(9,157)** | **(36,424)** |
| **Segment assets** | | | | | | | |
| Segment assets | **325,973** | **100,893** | **624,123** | **9,527** | **1,245** | **232,832** | **1,294,593** |
| Eliminations | | | | | | | **(12,937)** |
| Total assets | | | | | | | **1,281,656** |
| **Other segmental information** | | | | | | | |
| Depreciation | **–** | **–** | **24** | **–** | **–** | **8,318** | **8,342** |
| Addition to non-current assets | **–** | **–** | **101** | **–** | **–** | **456** | **557** |
| Reversal of impairment losses on financial instruments | **–** | **–** | **(273)** | **–** | **–** | **–** | **(273)** |
| Commission expenses | **526** | **–** | **1,798** | **–** | **–** | **–** | **2,324** |
| Finance costs | **1,060** | **–** | **1,810** | **–** | **–** | **2,870** | **5,740** |
| Share of (loss)/profit of associates and a joint venture | **–** | **(235)** | **2,094** | **–** | **–** | **–** | **1,859** |
| Interest in associates and a joint venture | **–** | **27,034** | **18,761** | **–** | **–** | **–** | **45,795** |

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Proprietary investment *HK$'000* | Property investment *HK$'000* | Brokerage and financing *HK$'000* | Corporate finance and capital markets *HK$'000* | Asset management *HK$'000* | Others *HK$'000* | Consolidated *HK$'000* |
| **Segmental income statement** | | | | | | | |
| Commission and fee income | – | – | 9,027 | 10,953 | 104 | 618 | 20,702 |
| Interest income arising from financial assets at amortised cost | 333 | 234 | 18,093 | 19 | 7 | 408 | 19,094 |
| Interest income arising from debt securities at fair value through profit or loss | 1,595 | – | – | – | – | – | 1,595 |
| Other income | 6,453 | 3,194 | – | – | – | – | 9,647 |
| Inter-segment revenue | 563 | – | 1,837 | – | 2,614 | 14,826 | 19,840 |
| Segment revenue | 8,944 | 3,428 | 28,957 | 10,972 | 2,725 | 15,852 | 70,878 |
| Net loss on financial assets and liabilities at fair value through profit or loss | (28,827) | – | (11) | – | – | – | (28,838) |
| Other income and gain or losses | (60) | (624) | (20) | 116 | 1 | (127) | (714) |
| Eliminations | (563) | – | (1,837) | – | (2,614) | (14,826) | (19,840) |
| | (20,506) | 2,804 | 27,089 | 11,088 | 112 | 899 | 21,486 |
| (Loss)/profit before tax | (37,001) | (5,273) | (4,694) | (1,896) | 1,918 | (9,463) | (56,409) |
| **Segment assets** | | | | | | | |
| Segment assets | 315,016 | 110,070 | 508,608 | 5,508 | 1,053 | 285,922 | 1,226,177 |
| Eliminations | | | | | | | (15,211) |
| Total assets | | | | | | | 1,210,966 |
| **Other segmental information** | | | | | | | |
| Depreciation | 1 | – | 21 | 6 | – | 9,531 | 9,559 |
| Addition to non-current assets | – | – | 19 | – | – | 441 | 460 |
| Provision for impairment losses on financial instruments | 4,427 | – | 3,490 | – | – | – | 7,917 |
| Commission expenses | 405 | – | 834 | – | – | – | 1,239 |
| Finance costs | 377 | – | 2,901 | – | 10 | 3,586 | 6,874 |
| Share of profit/(loss) of associates and a joint venture | – | 2,228 | (637) | – | – | – | 1,591 |
| Interest in associates and a joint venture | – | 27,243 | 16,667 | – | – | – | 43,910 |

**GEOGRAPHICAL INFORMATION**

The following illustrates the geographical analysis of the Group's revenue from external customers, based on the location from which the transactions are executed, and information about its non-current assets (excluding loans to and amounts due from associates, other assets, and financial assets at FVTPL), based on the location of assets.

| | **Revenue** | | **Non-current assets** | |
|---|---|---|---|---|
| | **2025** | 2024 | **2025** | 2024 |
| | ***HK$'000*** | *HK$'000* | ***HK$'000*** | *HK$'000* |
| Hong Kong | **42,641** | 46,698 | **299,516** | 359,054 |
| Mainland China | **5,388** | 3,347 | **30,605** | 33,980 |
| Others | **674** | 993 | **4,264** | 3,442 |
| | **48,703** | 51,038 | **334,385** | 396,476 |

**Information about major customers**

Sponsor and compliance advisory fee of approximately HK$8.4 million included in corporate finance and capital markets division for the year ended 30 June 2024 was arising from the Group's largest customer. No major customers were noted in current year.

## 6 LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **(a) Finance costs:** | | |
| Interest on: | | |
| – unsecured bank loans wholly repayable within one month and overdrafts | **23** | 9 |
| – secured bank loans wholly repayable within one year | **2,914** | 3,589 |
| – brokerage clients | **1,802** | 2,901 |
| – others | **996** | 368 |
| – lease liabilities | **5** | 7 |
| | **5,740** | 6,874 |
| **(b) Reversal of/(provision for) impairment losses on financial instruments:** | | |
| Accounts, loans and other receivables | **78** | 8,026 |
| Recoveries of loan receivable written off in prior years | **(351)** | (109) |
| | **(273)** | 7,917 |
| **(c) Staff costs, including directors' remuneration:** | | |
| Salaries and other allowances | **35,374** | 35,711 |
| Pension costs – defined contribution plan | **976** | 968 |
| | **36,350** | 36,679 |

| | 2025 | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **(d) Other items:** | | |
| Depreciation | **8,342** | 9,559 |
| Lease payments not included in the measurement of lease liabilities | **173** | 107 |
| Auditors' remuneration | **3,156** | 3,222 |

## 7 INCOME TAX (CREDIT)/EXPENSES

| | 2025 | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Current tax** | | |
| – Hong Kong | **–** | – |
| – Mainland China | **–** | – |
| | **–** | – |
| **Overprovision in prior years** | **(16)** | (6) |
| **Deferred tax** | **4** | 437 |
| (Credit)/charge | **(12)** | 431 |

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for the current and prior years. The subsidiaries in mainland China are subject to PRC Enterprise Income Tax at 25%.

## 8 DIVIDENDS

**Dividends paid and payable to owners of the company for the year**

| | 2025 | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Interim dividend paid of 1 HK cent per share (2024: 1 HK cent per share) | **7,603** | 7,445 |
| Final dividend proposed after the end of the reporting period of 1 HK cent per share (2024: 1 HK cent per share) | **7,603** | 7,445 |
| | **15,206** | 14,890 |

## 9 LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

| | 2025<br>*HK$'000* | 2024<br>*HK$'000* |
|---|---|---|
| **Loss** | | |
| Loss for the purposes of basic and diluted loss per share | | |
| Loss for the year attributable to owners of the Company | **(36,412)** | (56,654) |
| **Number of shares** | | |
| Weighted average number of ordinary shares for the purposes of basic and diluted loss per share | **751,376,839** | 741,707,376 |

## 10 ACCOUNTS, LOANS AND OTHER RECEIVABLES

| | *Notes* | 2025<br>*HK$'000* | 2024<br>*HK$'000* |
|---|---|---|---|
| **Accounts and loan receivables** | | | |
| Amounts due from brokers and clearing houses | *(a)* | **88,220** | 71,892 |
| Amounts due from margin clients | *(b)* | **5,472** | 7,684 |
| Amounts due from cash clients | *(c)* | **5,033** | 8,996 |
| Loan receivables | *(d)* | **48,729** | 48,021 |
| Other accounts receivable | *(e)* | **392** | 46 |
| | | **147,846** | 136,639 |
| Less: Impairment allowances | | **(20,913)** | (23,706) |
| | | **126,933** | 112,933 |
| **Prepayments, deposits and other receivables** | | **12,796** | 5,129 |
| | | **139,729** | 118,062 |

*Notes:*

(a) Amounts due from brokers and clearing houses are required to be settled on the settlement date determined under the relevant market practices or exchange rules.

The amounts due from brokers of HK$5,561,000 (2024: HK$10,638,000) were pledged as collateral for the stock borrowing transactions.

(b) Margin clients of the brokerage division are required to pledge securities collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them is determined based on a discount on the value of securities accepted by the Group. The amounts due from margin clients are repayable on demand and bear interest at commercial rates. As at 30 June 2025, the total market value of securities pledged as collateral in respect of the loans to margin clients was approximately HK$153 million (2024: HK$9 million). Management monitors the market value of collateral during the reviews of the adequacy of the impairment allowances. The fair value of collateral can be objectively ascertained to cover the outstanding amount of the loan balances based on quoted prices of the collateral.

(c) There are no credit terms granted to cash clients of the brokerage division except for financing of IPO subscriptions. They are required to settle their securities trading balances on the settlement date determined under the relevant market practices or exchange rules.

(d) Loan receivables comprise fixed-rate loan receivables of HK$17 million (2024: HK$18 million) and factoring receivables of HK$32 million (2024: HK$30 million), and accumulated impairment allowances of HK$18 million (2024: HK$18 million) as at 30 June 2025. The credit terms for loans granted by the Group's brokerage and financing division are determined by management with reference to the financial background and the value and nature of collateral pledged by the borrowers. The loan receivables are mainly secured by personal/corporate guarantee, properties and trade receivables. The contractual maturity date of the loan receivables is normally within one year.

(e) The Group normally allows credit periods of up to 30 days to customers, except for certain creditworthy customers with long term relationship and stable repayment pattern, where the terms are extended to a longer period.

The ageing analysis of accounts and loan receivables, net of impairment losses, based on invoice/advance/trade date/contractual maturity date is as follows:

| | **2025** | 2024 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Current and within one month | **120,542** | 104,139 |
| More than three months | **6,391** | 8,794 |
| | **126,933** | 112,933 |

Included in the above table, loan receivables, net of impairment loss, of approximately HK$23,996,000 and HK$6,376,000 were aged within one month and more than three months respectively (2024: approximately HK$21,481,000 and HK$8,790,000 were aged within one month and more than three months respectively).

The movements in the allowance for impairment losses for accounts and loan receivables of the Group were as follows:

| | **Amounts due from brokers and clearing houses** | **Amounts due from margin clients** | **Amounts due from cash clients** | **Loan receivables** | **Other accounts receivable** | **Total** |
|---|---|---|---|---|---|---|
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| At 1 July 2023 | – | 22,858 | 357 | 35,105 | 234 | 58,554 |
| Impairment losses recognised | – | – | 166 | 7,694 | 166 | 8,026 |
| Amounts written off as uncollectible | – | (17,410) | (15) | (25,049) | (400) | (42,874) |
| At 30 June 2024 and 1 July 2024 | **–** | **5,448** | **508** | **17,750** | **–** | **23,706** |
| Impairment losses (reversed)/recognised | **–** | **(500)** | **(28)** | **606** | **–** | **78** |
| Amounts written off as uncollectible | **–** | **(2,512)** | **(359)** | **–** | **–** | **(2,871)** |
| At 30 June 2025 | **–** | **2,436** | **121** | **18,356** | **–** | **20,913** |

## 11 ACCRUALS, ACCOUNTS AND OTHER PAYABLES

| | 2025 | 2024 |
|---|---|---|
| | *HK$'000* | *HK$'000* |
| **Accounts payable (on demand or within one month)** | | |
| Amounts due to brokers and clearing houses | **25** | 3,262 |
| Clients' accounts payable | **456,389** | 327,281 |
| Others | **3,755** | 6,676 |
| | **460,169** | 337,219 |
| **Other creditors, accruals and other provisions** | **10,241** | 7,705 |
| | **470,410** | 344,924 |

The settlement terms of payable to brokers, clearing houses and securities trading clients arising from the ordinary course of business of broking in securities range from one to two days after the trade date of those transactions. Deposits exceeding the margin requirement received from clients for their trading of futures contracts are payable on demand.

## 12 SHARE CAPITAL AND SHARE PREMIUM

The movements in the Company's issued share capital are as follow:

| | Number of shares in issue | Issued capital | Share premium account | Total |
|---|---|---|---|---|
| | | *HK$'000* | *HK$'000* | *HK$'000* |
| At 1 July 2023 | 739,571,391 | 73,957 | 370,642 | 444,599 |
| Scrip dividend issued | 4,947,915 | 495 | 658 | 1,153 |
| At 30 June 2024 and 1 July 2024 | **744,519,306** | **74,452** | **371,300** | **445,752** |
| Scrip dividend issued | **15,742,135** | **1,574** | **1,905** | **3,479** |
| At 30 June 2025 | **760,261,441** | **76,026** | **373,205** | **449,231** |

During the years ended 30 June 2024 and 2025, the movements in share capital were as follows:

On 25 January 2024, the Company issued 4,947,915 new shares at HK$0.233 on each issued share for the distribution of the scrip dividend declared for 2023 final dividend.

On 23 January 2025, the Company issued 15,742,135 new shares at HK$0.221 on each issued share for the distribution of the scrip dividend declared for 2024 final dividend.

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

## MANAGEMENT DISCUSSION AND ANALYSIS

## THE MARKET

The Hong Kong stock market experienced a notable upward trajectory from July 2024 to June 2025, accompanied by considerable volatility throughout the period. The stock market remained weak at the beginning of the third calendar quarter of 2024 due to uncertainties surrounding the pace of US interest rate cuts and the economic outlook for Hong Kong. Market sentiment improved significantly after the US enacted interest rates cuts in mid-September, followed by China's announcement of a series of support measures later that month. However, the market soon turned bearish as China's stimulus measures fell short of expectations. The decline accelerated further after the newly elected US President threatened to introduce new trade and tariff policies, which may keep inflation at an elevated level and delay the interest rate reduction cycle. Consequently, the Hang Seng Index declined and closed at 20,060 by the end of December 2024. In early 2025, the emergence of the homegrown artificial intelligence company DeepSeek sparked a rally in the technology sector, driven by renewed global investor interest. This momentum propelled the Hang Seng Index to approach 25,000 in March 2025. However, in April 2025, the market faced a sharp setback with the announcement of new US tariffs. The Hang Seng Index experienced its steepest single-day decline since the 1997 Asian financial crisis, with losses reaching as much as 14%. The stock market rebounded strongly in May and June, buoyed by low HK dollar interest rates, increased liquidity, robust IPO activity and signs that tariffs may settle at lower than announced levels. By the end of June 2025, the Hang Seng Index had recovered to 24,072, compared to 17,719 at the end of June 2024 and 20,060 at the end of December 2024.

The average monthly aggregate turnover on the Main Board and GEM Board during the year ended 30 June 2025 ("FY2025") surged by 92% to HK$3,991 billion, up from HK$2,084 billion for the year ended 30 June 2024 ("FY2024"), stimulated by the strong momentum of the stock market. The amount of funds raised through IPOs on the Main Board experienced a significant increase, reaching HK$184 billion in FY2025, compared to HK$42 billion in FY2024. This increase was largely driven by the successful H-share listings of two large cap A-share companies, the world's largest electric vehicle battery manufacturer and a leading Chinese home appliance company, which together raised HK$82 billion during FY2025. Furthermore, with the number of active Main Board applications exceeding 200, the IPO market is expected to maintain its strong momentum in 2025.

## FINANCIAL HIGHLIGHTS

The Group reported a loss after tax of HK$36 million for FY2025, compared to a loss after tax of HK$57 million for FY2024. After accounting for other comprehensive expense for the year, the Group recorded a total comprehensive expense of HK$72 million for FY2025, compared to a total expense of HK$82 million for FY2024. Hong Kong's Grade A office properties experienced high vacancy rates and declining rents amid increased competition from new supplies and persistent market weakness, resulting in a reduction in market value. In FY2025, the Group recorded a revaluation deficit, net of tax, of HK$37 million for its own use properties, compared to the HK$25 million deficit recorded during the same period last year.

Commission and fee income from our financial intermediary business amounted to HK$18 million for FY2025, a decrease from HK$21 million in FY2024. The decline was mainly attributed to a reduction of HK$8 million in corporate finance fee income, following the completion of an IPO project in the previous year. Interest income remained steady at HK$21 million for both FY2025 and FY2024. Dividend and rental income were also consistent, each contributing HK$10 million annually for the two fiscal years. The Group recorded a net gain of HK$4 million on financial assets and liabilities at fair value through profit or loss for FY2025, a marked improvement compared to a net loss of HK$29 million in FY2024. This positive turnaround corresponded with the recovery of the Hong Kong stock market.

General and administrative expenses decreased by HK$2 million, amounting to HK$63 million in FY2025, down from HK$65 million in FY2024. This reduction primarily resulted from lower staff costs and other operating expenses. Interest expenses also fell by HK$1 million, reaching HK$6 million for FY2025. The Group recorded a minimal impairment reversal in FY2025, in contrast to the HK$8 million impairment loss recognized in FY2024. This positive shift was largely attributable to improved recovery from brokerage clients and stringent credit assessments throughout the year.

## BROKERAGE AND FINANCING

The division generated a total revenue of HK$31 million for FY2025, reflecting an improvement from HK$29 million recorded in FY2024. Stock market sentiment has improved, with the average monthly turnover on both the Main and GEM Boards in FY2025 doubling compared to FY2024. Despite these market gains, our commission income only increased by HK$1 million, as investors continuously shifted towards larger online trading platforms that offer more competitive commission rates. Bank interest income experienced a decline of HK$1 million, primarily due to reduced bank deposit rates. As a result, the interest paid to brokerage clients also decreased by HK$1 million year-on-year. The division's performance benefited from successful cost control initiatives and a reduction in impairment loss on loan receivables. For FY2025, the division recorded a net profit of HK$4 million, a notable turnaround from a net loss of HK$5 million in FY2024.

As of 30 June 2025 and 30 June 2024, the margin loans, fixed-rate loans and factoring receivables, after expected credit loss, amounted to HK$33 million. Throughout the period, the Group maintained strict standards in loan approval and collateral assessment. To strengthen loan quality, additional collateral was required from several clients. The division benefited from an improvement in impairment recovery, with HK$1 million recovered from its brokerage clients during the year.

## CORPORATE FINANCE AND CAPITAL MARKETS

Total revenue of the division was HK$6 million for FY2025, compared to HK$11 million for FY2024. The division focused on sponsorship mandate and successfully signed several financial advisory agreements during the year. This has enhanced our service offerings and strengthened our market presence. A notable achievement in FY2025 was the completion of a placing arrangement for unlisted convertible bonds of a listed company. The division earned placement fees of HK$4 million for this transaction, a significant increase compared to HK$1 million recorded in FY2024.

## ASSET MANAGEMENT

Total revenue of the division was HK$3 million for both FY2025 and FY2024. The asset management division has delivered stable results, with the unit price of its managed funds showing a notable increase during the year. This impressive growth reflects the division's strategic investment decisions and effective management practices. If this level of performance is maintained, the division will be entitled to a performance fee at the end of 2025. The division is currently collaborating with various investment managers to provide a variety of asset management products tailored for high-net-worth clients.

## PROPRIETARY INVESTMENT

Total revenue of the division reached HK$11 million in FY2025, compared to HK$9 million in FY2024. After including net gain or loss on disposal of financial assets and liabilities at fair value through profit or loss, net inflow before overheads for the division was HK$15 million for FY2025. This represents a significant turnaround from the net outflow of HK$21 million recorded in FY2024. During FY2025, the Hang Seng Index rose by 36% and closed at 24,072 as of the end of June 2025. The division reported a net realized and unrealized gain of HK$7 million in FY2025 from its equity securities portfolio, contrasting with a net loss of HK$20 million in FY2024. A notable highlight for the division was the successful listing of one of our unlisted investments on Nasdaq in October 2024. Despite this achievement, the market price of the equity security has shown considerable volatility since listing. After a six-month lock-up period ending in April 2025, the market price fell by approximately 50% from its initial listing price to its closing price on 30 June 2025. While a substantial loss was recognized for this stock during the year, the division continues to hold a sizable overall gain from this investment since its initial acquisition.

As at 30 June 2025, the carrying value of the unlisted investments, listed securities and listed debt securities and bond funds portfolio was HK$5 million, HK$205 million and HK$51 million respectively (30 June 2024: HK$53 million, HK$158 million and HK$45 million). During the year, the listing of a previously unlisted investment resulted in a substantial reallocation from the unlisted investments category to the listed securities portfolio. The newly listed investment on Nasdaq was identified as the largest investment of financial assets at fair value through profit or loss, representing approximately 1.8% of the Group's consolidated total assets as of 30 June 2025. The directors considered investments with a fair value exceeding 5% of the Group's consolidated total assets as a significant investment.

## PROPERTY INVESTMENTS

In FY2025 and FY2024, the division generated total revenue of HK$3 million. The division benefited from a steady stream of rental income, which contributed to stable cash flow and supported its overall financial position. However, the retail shop in Kwun Tong was vacant for several months during the year, which adversely impacted overall results. In addition, the division faced rising vacancy rates and downward rental pressure in non-core retail locations. Consequently, the retail shop recorded a revaluation loss of HK$8 million for the current year, compared to a HK$7 million loss in the same period last year. Furthermore, the office property in Beijing reported a revaluation deficit of HK$2 million for FY2025, up from a deficit of HK$1 million in FY2024. As a result, the total valuation deficit for FY2025 amounted to HK$10 million, compared to HK$8 million in FY2024.

To date, the division holds a shop and a carpark in Hong Kong and an office property in mainland China. In addition, the Group has invested in two associated companies which hold commercial properties in Japan and a joint venture company which holds two adjacent parcels of land in Hong Kong.

## OUTLOOK

After the inauguration of the new US President in early 2025, uncertainties in both the geopolitical situation and economic fronts increased rapidly. The introduction of the concept of reciprocal tariffs by the US in April altered global supply chains and trading relationships. There was also an escalation of military conflicts beyond Ukraine and Gaza. Amid all these risks and uncertainties, US markets have continued to reach record highs. Hong Kong and mainland China markets are also at multi-year highs with strong turnover. Markets are further energized by rapid advancements in blockchain technology, biotechnology, autonomous driving, generative AI, and other high-tech sectors. The resumption of the interest rate reduction cycle in the US in September has also boosted market confidence. We will tailor our business and investment strategies to capitalize on these market developments. The Government is keen to promote Hong Kong as a regional and international financial and asset management centre. Our agency services teams will develop more services and products to match the Government's initiatives, especially in serving the fast-increasing number of family offices domiciling locally.

## LIQUIDITY AND FINANCIAL RESOURCES

As of the end of June 2025, the Group's total assets amounted to HK$1,282 million, with approximately 72% classified as current assets. Net current assets accounted for HK$280 million, representing approximately 45% of the net assets of the Group. The Group held net cash and cash equivalents of HK$95 million, primarily in Hong Kong and United State dollars.

The Group generally finances its daily operations through internal resources. Total borrowings of HK$97 million at the end of June 2025 were used to finance its investment portfolio. The bank loans and overdraft were denominated in Hong Kong dollars and charged at floating interest rate. The Group's gearing ratio was approximately 16% as at the end of June 2025. As of 30 June 2025, office and investment properties with a carrying value of HK$253 million and financial assets at fair value through profit or loss with fair value of HK$8 million were pledged to banks as securities for the banking facilities.

Other than the indemnity provided to the Hong Kong Securities Clearing Co. Ltd., the Group had no other material contingent liabilities as at the end of June 2025. The Company provided corporate guarantees of HK$210 million for banking facilities granted to its subsidiaries.

## FOREIGN EXCHANGE EXPOSURE

The Group's assets are mainly in Hong Kong and the PRC and most of the monetary assets and liabilities of the Group are denominated in HK$. As part of our investment monitoring, financial assets denominated in foreign currencies, including equity and debt investments, are monitored on a daily basis together with the changes in market value of these investments. Financial instruments may be used as part of the overall investment strategy if deemed necessary by the investment managers. The Group operates a factoring business and purchased properties in the PRC. Taking into account all relevant macroeconomic factors and the size of assets held, the Group believes that there is no need to hedge these assets denominated in RMB. Management will monitor the situation closely and introduce suitable hedging measures if there are any material adverse changes. The Group does not have other material exposure to fluctuation in exchange rates and no hedging instruments are used.

## EMPLOYMENT, TRAINING AND DEVELOPMENT POLICIES

As at 30 June 2025, the number of full time employees of the Group was 56 (2024: 58). Remunerations and bonus are based on performance and are reviewed annually in conjunction with the annual employee performance appraisal. It also takes into consideration the results of the division to which the employee belongs and the Group as a whole. The Group provides a full induction program and inhouse training courses to all staff – particularly professionals registered with relevant regulatory bodies who must meet their mandatory continued professional training requirements. A share option scheme is available to directors, employees and consultants of the Group.

## CORPORATE GOVERNANCE CODE

The Company has applied the principles and has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange of Hong Kong Limited throughout the financial year ended 30 June 2025.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year under review and they have all confirmed that they have complied with the required standard set out in the Model Code.

## FINAL DIVIDEND

The Board of Directors has proposed, subject to the approval of shareholders at the forthcoming Annual General Meeting on Thursday, 27 November 2025, the payment of a final dividend of 1 HK cent per ordinary share for the year ended 30 June 2025 to shareholders whose names appear on the Register of Members of the Company on Friday, 5 December 2025, if approved, the final dividend will be paid on Thursday, 22 January 2026.

Shareholders will be given the option to receive the proposed 2025 final dividend of 1 HK cent per share in new shares in lieu of cash (the "**Scrip Dividend Arrangement**"). The Scrip Dividend Arrangement is subject to: (1) the approval of proposed 2025 final dividend at the 2025 Annual General Meeting; and (2) The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the new shares to be issued pursuant thereto.

A circular containing details of the Scrip Dividend Arrangement will be despatched to the Shareholders together with the form of election for scrip dividend in December 2025. Dividend warrants and share certificates in respect of the proposed 2025 final dividend are expected to be despatched to the Shareholders on 22 January 2026.

## CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The Register of Members of the Company will be closed from Monday, 24 November 2025 to Thursday, 27 November 2025, both days inclusive, during which period no transfer of shares will be effected for the purpose of determining the identity of the shareholders entitled to attend and vote at the 2025 Annual General Meeting. In order to qualify to attend and vote at the meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar, Computershare Hong Kong Investor Services Limited (at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong), for registration not later than 4:30 p.m. on Friday, 21 November 2025.

## CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

The Register of Members of the Company will be closed from Wednesday, 3 December 2025 to Friday, 5 December 2025 (both days inclusive) during which period no transfer of shares will be effected for the purpose of determining the entitlement to the final dividend. In order to qualify for the proposed final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar, Computershare Hong Kong Investor Services Limited (at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) not later than 4:30 p.m. on Tuesday, 2 December 2025.

## AUDIT COMMITTEE REVIEW

The Group's audited consolidated financial results for the year ended 30 June 2025 have been reviewed by the Audit Committee of the Company.

## SCOPE OF WORK OF MESSRS. ERNST & YOUNG

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 30 June 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Ernst & Young on the preliminary announcement.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

On behalf of the Board
**Michael Koon Ming Choi**
*Chief Executive Officer*

Hong Kong, 25 September 2025

*As at the date of this announcement, the directors of the Company are Jonathan Koon Shum Choi as Chairman, Michael Koon Ming Choi as Chief Executive Officer & Executive Director, Janice Wing Kum Kwan as Non-Executive Director, Robert Tsai To Sze, Elizabeth Law, Huanfei Guan and Julianne Pearl Doe as Independent Non-Executive Directors.*