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MAGNIFICENT HOTEL INVESTMENTS LIMITED

華大酒店投資有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 201)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2025

RESULTS

The board (the “Board”) of directors (the “Directors”) of Magnificent Hotel Investments Limited (the “Company”) announces that the net profit after tax attributable to owners of the Company before revaluation and depreciation of land, property and equipment for the year ended 31st December, 2025 was HK\$155.1 million (2024: HK\$103.6 million), increased by HK\$51.5 million (+50%). The audited consolidated results of the Company and its subsidiaries (together the “Group”) for the year, together with comparative figures for the previous year, are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	<i>Change</i>
Profit (loss) after taxation and non-controlling interests	8,200	(44,775)	
Add: Revaluation loss	8,000	11,000	
Add: Properties depreciation and release of prepaid lease payments for land	<u>138,898</u>	<u>137,466</u>	
Net profit after tax attributable to owners of the Company before revaluation and depreciation and release of prepaid lease payments for land	155,098	103,691	+50%

DIVIDEND

The Board does not recommend the payment of final dividend in respect of the year ended 31st December, 2025 (2024: Nil).

Consolidated Statement of Profit or Loss

For the year ended 31st December, 2025

	<i>NOTES</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3		
Contracts with customers		506,896	481,215
Leases		51,652	44,511
Dividend income		<u>25</u>	<u>-</u>
Total revenue		558,573	525,726
Cost of sales		(4,274)	(3,573)
Other service costs		(307,730)	(318,685)
Depreciation of property, plant and equipment		(136,350)	(135,810)
Depreciation of right-of-use asset		<u>(793)</u>	<u>(755)</u>
Gross profit		109,426	66,903
Net decrease in fair value of investment properties		(8,000)	(11,000)
Other income and gains and losses		3,142	3,025
Administrative expenses		(43,251)	(49,517)
- Depreciation		(1,755)	(1,792)
- Others		(41,496)	(47,725)
Finance costs	5	<u>(30,635)</u>	<u>(45,003)</u>
Profit (loss) before taxation	6	30,682	(35,592)
Income tax expense	7	<u>(22,606)</u>	<u>(9,810)</u>
Profit (loss) for the year		<u>8,076</u>	<u>(45,402)</u>
Profit (loss) for the year attributable to:			
Owners of the Company		8,200	(44,775)
Non-controlling interests		<u>(124)</u>	<u>(627)</u>
		<u>8,076</u>	<u>(45,402)</u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings (loss) per share	9		
Basic		<u>0.09</u>	<u>(0.50)</u>

Consolidated Statement of Total Comprehensive Income
For the year ended 31st December, 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit (loss) for the year	<u>8,076</u>	<u>(45,402)</u>
Other comprehensive income (expense)		
Item that will not be reclassified to profit or loss		
Fair value loss on investments in equity instruments at fair value through other comprehensive income	(16,229)	(8,535)
Item that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	<u>90,654</u>	<u>(29,113)</u>
Other comprehensive income (expense) for the year	<u>74,425</u>	<u>(37,648)</u>
Total comprehensive income (expense) for the year	<u>82,501</u>	<u>(83,050)</u>
Total comprehensive income (expense) attributable to:		
Owners of the Company	82,625	(82,423)
Non-controlling interests	<u>(124)</u>	<u>(627)</u>
	<u>82,501</u>	<u>(83,050)</u>

Consolidated Statement of Financial Position

At 31st December, 2025

	<i>NOTES</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-Current Assets			
Property, plant and equipment		3,534,235	3,633,234
Right-of-use asset		21,842	21,454
Investment properties		1,088,480	1,030,990
Equity instruments at fair value through other comprehensive income		<u>75,975</u>	<u>92,204</u>
		<u>4,720,532</u>	<u>4,777,882</u>
Current Assets			
Inventories		1,156	1,166
Trade and other receivables	<i>10</i>	13,452	11,137
Other deposits and prepayments		10,083	9,004
Bank balances and cash		<u>232,260</u>	<u>203,139</u>
		<u>256,951</u>	<u>224,446</u>
Current Liabilities			
Trade and other payables and accruals	<i>11</i>	50,856	47,416
Rental and other deposits received		1,366	1,785
Contract liabilities		9,299	8,037
Amount due to immediate holding company		253,356	347,390
Amount due to a shareholder		5,088	7,487
Tax liabilities		6,828	4,587
Bank loans		<u>80,000</u>	<u>345,152</u>
		<u>406,793</u>	<u>761,854</u>
Net Current Liabilities		<u>(149,842)</u>	<u>(537,408)</u>
Total Assets less Current Liabilities		<u>4,570,690</u>	<u>4,240,474</u>
Capital and Reserves			
Share capital		841,926	841,926
Reserves		<u>3,371,025</u>	<u>3,288,400</u>
Equity attributable to owners of the Company		4,212,951	4,130,326
Non-controlling interests		<u>6,512</u>	<u>6,636</u>
Total Equity		<u>4,219,463</u>	<u>4,136,962</u>
Non-Current Liabilities			
Bank loans		243,914	-
Rental deposits received		1,126	1,006
Deferred tax liabilities		<u>106,187</u>	<u>102,506</u>
		<u>351,227</u>	<u>103,512</u>
		<u>4,570,690</u>	<u>4,240,474</u>

NOTES:

1. GENERAL

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards Accounting Standards (“HKFRS Accounting Standards”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the years ended 31st December, 2025 and 2024 included in this preliminary announcement of annual results 2025 do not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31st December, 2024 to the Register of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31st December, 2025 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual periods beginning on or after 1st January, 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE

Revenue represents the aggregate of income from operation of hotels, property rental and dividend income, and are analysed as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Income from operation of hotels	506,896	481,215
Income from property rental	51,652	44,511
Dividend income	<u>25</u>	<u>-</u>
	<u>558,573</u>	<u>525,726</u>

4. SEGMENT INFORMATION

HKFRS 8 “Operating Segments” requires operating and reportable segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the “CODM”), being the Chairman of the Company, for the purposes of allocating resources to segments and assessing their performance. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group’s operating and reportable segments under HKFRS 8 are therefore as follows:

1. Hospitality services - Best Western Plus Hotel Kowloon
2. Hospitality services - Best Western Plus Hotel Hong Kong
3. Hospitality services - Magnificent International Hotel, Shanghai
4. Hospitality services - Best Western Hotel Causeway Bay
5. Hospitality services - Ramada Hong Kong Harbour View
6. Hospitality services - Ramada Hong Kong Grand
7. Hospitality services - Wood Street Hotel
8. Hospitality services - Grand Bay View Hotel
9. Property investment - Shops, hotel and residential properties
10. Securities investment

Information regarding the above segments is reported below.

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments for both years:

	<u>Segment revenue</u>		<u>Segment results</u>	
	Year ended 31st December,		Year ended 31st December,	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hospitality services	506,896	481,215	57,749	22,392
- Best Western Plus Hotel Kowloon	58,976	53,177	3,366	(799)
- Best Western Plus Hotel Hong Kong	89,381	86,729	34,162	28,344
- Magnificent International Hotel, Shanghai	26,903	24,036	7,266	5,342
- Best Western Hotel Causeway Bay	54,058	51,706	4,734	1,756
- Ramada Hong Kong Harbour View	93,049	87,540	33,965	26,642
- Ramada Hong Kong Grand	88,549	86,074	9,782	7,255
- Grand Bay View Hotel	95,980	91,953	(35,526)	(46,148)
Property investment	51,652	44,511	43,652	33,511
Securities investment	25	-	25	-
	<u>558,573</u>	<u>525,726</u>	101,426	55,903
Other income and gains and losses			3,142	3,025
Administrative expenses			(43,251)	(49,517)
Finance costs			(30,635)	(45,003)
Profit (loss) before taxation			<u>30,682</u>	<u>(35,592)</u>

Geographical information

The Group's operations are located in Hong Kong, the People's Republic of China ("PRC") and the United Kingdom ("UK").

The following is an analysis of the Group's revenue primarily by geographical markets based on location of assets:

	2025	2024
	HK\$'000	HK\$'000
Hong Kong	483,018	460,179
The PRC	26,903	24,036
The UK	48,652	41,511
	<u>558,573</u>	<u>525,726</u>

5. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interests on:		
Bank loans	15,465	21,111
Amount due to immediate holding company	<u>15,170</u>	<u>23,892</u>
	<u><u>30,635</u></u>	<u><u>45,003</u></u>

6. PROFIT (LOSS) BEFORE TAXATION

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit (loss) before taxation has been arrived at after charging:		
Auditor's remuneration	1,800	1,800
Staff costs including directors' emoluments	195,008	183,740
Depreciation of property, plant and equipment	138,105	137,602
Depreciation of right-of-use asset	<u>793</u>	<u>755</u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The taxation expense comprises:		
Current tax		
Hong Kong	9,246	5,925
The UK	<u>9,349</u>	<u>6,583</u>
	<u><u>18,595</u></u>	<u><u>12,508</u></u>
Under (over)provision in prior years		
Hong Kong	330	(1,527)
The UK	<u>-</u>	<u>(77)</u>
	<u><u>330</u></u>	<u><u>(1,604)</u></u>
	18,925	10,904
Deferred tax	<u><u>3,681</u></u>	<u><u>(1,094)</u></u>
	<u><u><u>22,606</u></u></u>	<u><u><u>9,810</u></u></u>

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for both years. Taxation arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

8. DIVIDEND

No dividend was paid or proposed by the directors for ordinary shareholders of the Company during 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

9. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share is based on the profit for the year attributable to owners of the Company of HK\$8,200,000 (loss for 2024: HK\$44,775,000) and on 8,947,051,000 shares (2024: 8,947,051,000 shares) in issue during the year.

Diluted earnings (loss) per share for both years are not presented as there are no potential ordinary shares exist during both years.

10. TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables from contracts with customers	9,163	8,361
Other receivables	<u>4,289</u>	<u>2,776</u>
	<u><u>13,452</u></u>	<u><u>11,137</u></u>

Except for a credit period of 30 to 60 days granted to travel agencies and certain customers of the hotels, the Group does not allow any credit period to customers. The following is an aged analysis of the Group's trade receivables from contracts with customers presented based on the invoice date at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Not yet due	8,805	8,162
Overdue:		
0 – 30 days	272	104
31 – 60 days	73	94
61 – 90 days	<u>13</u>	<u>1</u>
	<u><u>9,163</u></u>	<u><u>8,361</u></u>

11. TRADE AND OTHER PAYABLES AND ACCRUALS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	3,989	5,031
Other payables and accruals	<u>46,867</u>	<u>42,385</u>
	<u>50,856</u>	<u>47,416</u>

The following is an aged analysis of the Group's trade payables presented based on the invoice date at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 – 30 days	3,977	5,024
31 – 60 days	5	6
61 – 90 days	<u>7</u>	<u>1</u>
	<u>3,989</u>	<u>5,031</u>

DIVIDEND

In deciding whether to distribute the final dividend and its amount, the Board has reviewed the Company's adopted dividend policy and does not recommend the payment of final dividend for the year ended 31st December, 2025 (2024: Nil) for the following reasons:

- i) secure more cashflow under the current challenging economy and unstable hotel market condition with high operating costs and interest costs;
- ii) retain cash to further reduce bank debt and shareholder loan; and
- iii) retain cash for renovation of Wood Street Hotel in London.

MANAGEMENT DISCUSSION AND ANALYSIS

During the year, the Group continued with its hotel investments, hotel management, property leasing and property development.

The net profit after tax attributable to owners of the Company before revaluation and depreciation of land, property and equipment for the year ended 31st December, 2025 was HK\$155.1 million (2024: HK\$103.6 million), increased by HK\$51.5 million (+50%).

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	Change
Net profit from operation of hotels	57,749	22,392	+158%
- Profit	194,892	158,957	
- Depreciation	(137,143)	(136,565)	
Net profit from property investment	43,652	33,511	+30%
- Profit	51,652	44,511	
- Revaluation loss	(8,000)	(11,000)	
Income from securities investments	25	-	N/A
Other income and gain and losses	3,142	3,025	+4%
	104,568	58,928	+77%
Administrative expenses	(43,251)	(49,517)	-13%
Finance costs	(30,635)	(45,003)	-32%
Income tax expense	(22,606)	(9,810)	+130%
Profit (loss) after taxation	8,076	(45,402)	N/A
Non-controlling interests	124	627	-80%
Profit (loss) after taxation and non-controlling interests	8,200	(44,775)	N/A
Add: Revaluation loss	8,000	11,000	-27%
Add: Properties depreciation and impairment and release of prepaid lease payments for land	138,898	137,466	+1%
Net profit after tax attributable to owners of the Company before revaluation and depreciation and release of prepaid lease payments for land	155,098	103,691	+50%

The overall increase in profit for the year ended 31st December, 2025 was mainly due to increase in revenue by HK\$32 million, and decrease in hotel operating costs by HK\$11 million, administrative expenses by HK\$6 million and finance costs by HK\$14 million.

PERFORMANCE

For the year ended 31st December, 2025, the **GROUP'S INCOME** was mostly derived from the aggregate of income from operation of hotels and investment properties, which was analysed as follows:

Income	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	Change	Reason
Income from operation of hotels	506,896	481,215	+5%	Increase in room rates
Income from investment properties	51,652	44,511	+16%	Increase in rental income received from Royal Scot Hotel, London
Dividend income	<u>25</u>	-	N/A	Dividend received from stock investment
Total	<u>558,573</u>	<u>525,726</u>	+6%	

During the year, the total income for the Group increased by 6% from approximately HK\$526 million to approximately HK\$559 million compared with last year.

HOTELS PERFORMANCES

The Group presently owns eight hotels, operates seven hotels and leases out one hotel in London. The income from operation of hotels increased by 5% to HK\$507 million (2024: HK\$481 million). Royal Scot Hotel in London was leased to a hotel management company, Travelodge.

	Ramada Hong Kong Harbour View	Ramada Hong Kong Grand	Best Western Plus Hotel Hong Kong	Best Western Hotel Causeway Bay	Best Western Plus Hotel Kowloon	Grand Bay View Hotel	Magnificent International Hotel, Shanghai
2025							
Average room occupancy (%)	98	99	98	99	98	98	92

As at 31st December, 2025, an independent third-party valuation of Royal Scot Hotel, London was GBP88,500,000 (2024: GBP88,500,000). The rental income of Royal Scot Hotel, London for the year was GBP4,737,000 (2024: GBP4,172,000).

COST

The **HOTELS' SERVICE COST** for the year was HK\$307.7 million (2024: HK\$318.7 million), representing hotel operation cost.

Name of Hotel	2025 <i>HK\$ million</i>	2024 <i>HK\$ million</i>	Change
Ramada Hong Kong Harbour View	52.4	54.5	
Ramada Hong Kong Grand	48.6	49.0	
Best Western Plus Hotel Kowloon	38.0	37.0	
Best Western Plus Hotel Hong Kong	51.2	54.2	
Best Western Hotel Causeway Bay	37.9	38.3	
Grand Bay View Hotel	63.3	70.1	
Magnificent International Hotel, Shanghai	<u>16.3</u>	<u>15.6</u>	
Total amount for the year	<u>307.7</u>	<u>318.7</u>	(-3%)

Cost of sale of HK\$4.3 million (2024: HK\$3.6 million) was from cost of food and beverage.

During the year, the **ADMINISTRATIVE EXPENSES** excluding depreciation was HK\$41 million (2024: HK\$48 million).

The accounting standards require hotel properties of the Group to provide **DEPRECIATION** which amounted to HK\$137 million (2024: HK\$137 million) for the year.

DEPRECIATION OF HOTEL PROPERTIES

Name of Hotel	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	Change <i>HK\$'000</i>
Ramada Hong Kong Harbour View	5,962	5,932	+30
Ramada Hong Kong Grand	29,608	29,468	+140
Best Western Plus Hotel Kowloon	17,318	16,788	+530
Best Western Plus Hotel Hong Kong	3,892	4,004	-112
Best Western Hotel Causeway Bay	11,304	11,461	-157
Grand Bay View Hotel	66,218	66,215	+3
Magnificent International Hotel, Shanghai	<u>2,841</u>	<u>2,697</u>	+144
Total amount for the year	<u>137,143</u>	<u>136,565</u>	+578

FUNDING

As at 31st December, 2025, the **OVERALL DEBTS** of the Group was HK\$582 million (2024: HK\$700 million) (reduced by HK\$118 million), of which HK\$324 million (2024: HK\$345 million) was assets secured bank borrowings and HK\$258 million was advances from shareholders (mainly Shun Ho Property Investments Limited) (2024: HK\$355 million).

As at 31st December, 2025, the gearing ratio was 14% (2024: 17%) in terms of overall debts of HK\$582 million (2024: HK\$700 million) (HK\$258 million shareholder's loan and HK\$324 million bank loan) against funds employed of HK\$4,219 million before revaluation of all hotel properties (2024: HK\$4,137 million).

The overall debts were analysed as follows:

	2024 <i>HK\$ million</i>	2025 <i>HK\$ million</i>	Change <i>HK\$ million</i>	Interest Paid 2025 <i>HK\$ million</i>
Bank loans	345	324	-21	15.5
Shareholder's loan	355	258	-97	15.1
Overall debts	700	582	-118	30.6

FINANCE COST: Of these loans, the total interest expenses amounted to HK\$30.6 million (2024: HK\$45.0 million), the bank loans interest expenses amounted to HK\$15.5 million (2024: HK\$21.1 million) and the shareholders' loan interest expenses amounted to HK\$15.1 million (2024: HK\$23.9 million). The decrease in finance cost was due to decrease in interest rate.

The Group's bank borrowings carry interest at floating rates and are mainly denominated in Hong Kong Dollar and Pound Sterling. Accordingly, the Group exposes to exchange risk and the management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

As at 31st December, 2025, the Group had a total number of 497 employees (2024: 568 employees). Remuneration and benefit were set with reference to the market.

BUSINESS HIGHLIGHTS

During the year ended 31st December, 2025, the number of overnight visitors in Hong Kong amounted to around 23.0 million (31st December, 2024: 21.9 million) and against 29 million in 2018, among which 65% were mainland visitors and 35% were non-mainland visitors. Per-capita spending of mainland overnight visitors remained low at HK\$5,000 as compared to HK\$6,000 in 2019 pre-pandemic year. The pace of recovery of the tourism industry continues to be affected by declining per-capita spending of mainland visitors.

Throughout the year, the Group achieved an average hotel occupancy rate of over 90%. Compared with last year, the hotel income of the Group increased by 5% to HK\$507 million and the total income of the Group increased by 6% to HK\$559 million.

The Group acquired Wood Street Police Headquarter building in the centre of City of London for GBP40 million on 29th January, 2020 which has a gross internal area of 117,472 s.f. on a 20,000 s.f. island site and obtained planning consents approval to refurbish a deluxe hotel of about 216 guest rooms, restaurant, bar and facilities. Initial phase of construction works have commenced.

LOOKING AHEAD

The Group has eight income producing hotels, six in Hong Kong, one in Shanghai, one in London, and the Wood Street Hotel refurbishment project in London.

With the weak economy of the PRC, more PRC tourists choose to stay in the Greater Bay area and visit Hong Kong on day trips. In addition, the negative effects of the ongoing Gulf War, which are causing travellers to cancel trips, together with the slowdown of the global economy and inflation driven by high energy prices, are expected to further dampen travel demand. However, the future prospects of further Multiple-entry Endorsement of other major PRC cities such as Beijing and Shanghai would be most encouraging.

Future prospects of the hotel business and rental incomes may continue to be challenging and unstable. The management will keep its effort to increase incomes and control costs.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December, 2025.

CORPORATE GOVERNANCE

(a) Compliance with the Corporate Governance Code

During the year ended 31st December, 2025, the Company has complied with all applicable code provisions of the Corporate Governance Code set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited with the exception of the following deviation:

Code Provision C.2.1: chairman and chief executive should not be performed by the same individual

The Company does not have separate appointments for the Chairman and the Chief Executive Officer. Mr. William Cheng Kai Man holds both positions. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person enables the Company to have a stable and consistent leadership. It also facilitates planning and execution of the Company's strategy and is hence, for the interests of the Company and its shareholders. It is also significantly cost-saving for Mr. Cheng, the Chairman to also serve as the Chief Executive Officer, which would have otherwise been recruited from the market at a heavy cost.

(b) Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the "Model Code") as the code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code throughout the year.

REVIEW BY THE AUDIT COMMITTEE

The audit committee has reviewed the audited financial results of the Group for the year ended 31st December, 2025.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of total comprehensive income and the related notes thereto for the year ended 31st December, 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 20th March, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 20th March, 2026

As at the date hereof, the Board of the Company comprises four Executive Directors, namely Mr. William Cheng Kai Man (Chairman), Mr. Albert Hui Wing Ho, Madam Kimmy Lau Kam May and Madam Ng Yuet Ying; one Non-executive Director, namely, Madam Mabel Lui Fung Mei Yee; and three Independent Non-executive Directors, namely, Mr. Chan Kim Fai, Mr. Lam Kwai Cheung and Mr. Warren Liu Yuk Cho.