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## **CHINA INNOVATION INVESTMENT LIMITED**

**中國創新投資有限公司**

*(incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1217)

### **2025 ANNUAL RESULTS ANNOUNCEMENT**

The directors of China Innovation Investment Limited (the “Company”) announced the audited annual results of the Company for the year ended 31 December 2025 as follows:

#### **RESULTS**

Turnover for the year ended 31 December 2025 amounted to approximately HK\$2,183,553,000, while turnover for the year ended 31 December 2024 amounted to approximately HK\$687,883,000.

The net realised gains on disposal of investments at fair value through profit or loss for the year ended 31 December 2025 was approximately HK\$57,726,000 comparing to the net realised gains on disposal of investments at fair value through profit or loss of approximately HK\$12,505,000 for the same period in 2024.

The Company recorded a net profit of approximately HK\$56,670,000 for the year ended 31 December 2025, comparing to net profit of approximately HK\$5,005,000 for the same period in 2024. Such profit was mainly derived from net realised gains on disposal of investments at fair value through profit or loss as stated above. The increase was mainly due to the net realised gains from equity investments of fair value through profit or loss as a result of the good investment return from Hong Kong stock market in 2025.

As at 31 December 2025, the net assets of the Company were approximately HK\$600,921,000 (2024: HK\$542,711,000), with a net asset value per share of approximately HK\$0.047 (2024: HK\$0.042). The increase of net asset of the Company comes from the profit for the year of HK\$56,670,000 and other comprehensive income of HK\$1,540,000 mainly contributed by the fair value changes of equity investments at fair value through profit or loss and other comprehensive income, as a result of the combined effect of improved market sentiment and the good investment return from Hong Kong stock market in 2025.

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Turnover	4	<u>2,183,553</u>	<u>687,883</u>
<b>REVENUE</b>	4	<b>69,681</b>	20,258
Other income	4	<b>793</b>	–
Administrative and other operating expenses		<b>(13,908)</b>	(14,434)
Share of result of an associate		<b>157</b>	(713)
Finance costs		<b>(53)</b>	(106)
<b>PROFIT BEFORE TAX</b>		<b>56,670</b>	5,005
Income tax expense	5	<u>–</u>	<u>–</u>
<b>PROFIT FOR THE YEAR</b>	6	<b>56,670</b>	5,005
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value changes of equity investments at fair value through other comprehensive income		<u>1,540</u>	<u>(9,962)</u>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>		<u><b>58,210</b></u>	<u>(4,957)</u>
<b>EARNINGS PER SHARE</b>	7	<b>HK cents</b>	<b>HK cents</b>
– Basic		<u>0.443</u>	<u>0.039</u>
– Diluted		<u>N/A</u>	<u>N/A</u>

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		169	265
Right-of-use assets		440	1,321
Interest in an associate	9	–	11,887
Equity investments at fair value through other comprehensive income	10	351,570	200,259
Total non-current assets		352,179	213,732
<b>CURRENT ASSETS</b>			
Investments at fair value through profit or loss	11	135,686	86,251
Prepayments, deposits and other receivables		64,091	35,006
Cash and bank balances	12	139,086	213,589
		338,863	334,846
Interest in an associate classified as held for sale	9	12,044	–
Total current assets		350,907	334,846
<b>CURRENT LIABILITIES</b>			
Other payables and accruals		101,691	4,486
Lease liabilities		474	907
Total current liabilities		102,165	5,393
<b>NET CURRENT ASSETS</b>		248,742	329,453
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		600,921	543,185
<b>NON-CURRENT LIABILITY</b>			
Lease liabilities		–	474
<b>NET ASSETS</b>		600,921	542,711
<b>EQUITY</b>			
Share capital	13	128,016	128,016
Reserves		472,905	414,695
<b>TOTAL EQUITY</b>		600,921	542,711

Notes:

## **1. CORPORATE INFORMATION**

China Innovation Investment Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Sinclair Group Centre, 3rd Floor Genesis Building, Genesis Close P.O. Box 498, George Town, Grand Cayman KY1-1106, Cayman Islands. The principal place of business is situated at 26/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 28 August 2002.

The Company’s principal activity has not changed during the year and is principally engaged in investments. Its principal investment objective is to achieve medium to long term capital appreciation by investing in listed and unlisted companies mainly in Hong Kong and the People’s Republic of China (the “PRC”).

The financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

## **2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS**

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

In the current year, the Company has applied the following amendments to HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Company’s annual period beginning on 1 January 2025 for the preparation of the financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standard in the current year has had no material impact on the Company’s financial positions and performance for the current and prior years and/or on the disclosures set out in these financial statements.

## **New and amendments to HKFRS Accounting Standards in issue but not yet effective**

The Company has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKAS 21 – Translation to a hyperinflationary Presentation Currency	1 January 2027

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the financial statements in the foreseeable future.

### ***HKFRS 18 Presentation and Disclosure in Financial Statements***

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Company in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the statement of profit or loss. The Company is in the process of assessing the detailed impact of HKFRS 18 on the Company's financial statements.

### 3. OPERATING SEGMENT INFORMATION

The Company's operating segment is investments which involve investing in listed and unlisted companies to achieve medium and long term capital appreciation. Since this is the only operating segment of the Company from which its revenue, results, assets and liabilities are entirely derived, no further analysis thereof is presented.

#### Geographical information

The Company's revenue is solely generated from, and non-current assets are located in Hong Kong, based on the location of the Company's operations.

### 4. TURNOVER, REVENUE AND OTHER INCOME

Turnover represents the gross sales proceeds from disposal/redemption of investments at fair value through profit or loss.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Turnover</b>		
Gross sales proceeds from disposal/redemption of investments at fair value through profit or loss	<u>2,183,553</u>	<u>687,883</u>
	<b>2025</b> <i>HK\$'000</i>	<b>2024</b> <i>HK\$'000</i>
<b>Revenue</b>		
Bank interest income	2,880	2,890
Dividend income from equity securities listed in Hong Kong	3,159	4,736
Net realised gains on disposal of investments at fair value through profit or loss	57,726	12,505
Net unrealised holding gains from investments at fair value through profit or loss	<u>5,916</u>	<u>127</u>
	<u><b>69,681</b></u>	<u><b>20,258</b></u>

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
<b>Other income</b>		
Net exchange gains	<b>780</b>	–
Others	<b>13</b>	–
	<u><b>793</b></u>	<u>–</u>

## 5. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at a rate of 16.5% for the years ended 31 December 2025 and 2024. No provision for Hong Kong profits tax has been provided for the years ended 31 December 2025 and 2024 since the estimated assessable profit is wholly absorbed by tax losses brought forward.

The reconciliation between the income tax expense and the profit before tax is as follows:

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Profit before tax	<u><b>56,670</b></u>	<u>5,005</u>
Tax at the statutory tax rate of 16.5% (2024: 16.5%)	<b>9,351</b>	826
Share of result of an associate	<b>(26)</b>	118
Income not subject to tax	<b>(1,003)</b>	(501)
Expense not subject to tax	–	16
Utilisation of tax losses previously not recognised	<u><b>(8,322)</b></u>	<u>(459)</u>
Income tax expense	<u><u>–</u></u>	<u><u>–</u></u>

As at 31 December 2025, the Company had unused tax losses of approximately HK\$23,247,000 (2024: HK\$73,683,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit stream. The tax losses may be carried forward indefinitely. There were no other significant temporary differences arising during the year or at the end of the reporting period.

## 6. PROFIT FOR THE YEAR

The Company's profit for the year is arrived at after charging (crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration		
– audit services	324	320
– non-audit services	80	–
Investment management fee	400	364
Employee benefits expenses (including directors' remuneration):		
Salaries, allowances and benefits in kind	2,838	2,777
Pension scheme contributions	108	106
Total employee benefits expenses	<u>2,946</u>	<u>2,883</u>
Depreciation of property, plant and equipment	96	97
Depreciation of right-of-use assets	881	881
Net exchange (gains) losses	<u>(780)</u>	<u>661</u>

## 7. EARNINGS PER SHARE

### Basic earnings per share

The calculation of basic earnings per share is based on the profit for the year of approximately HK\$56,670,000 (2024: HK\$5,005,000) and the weighted average number of ordinary shares of 12,801,578,629 (2024: 12,801,578,629) in issue during the year.

### Diluted earnings per share

The computation of diluted earnings per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for shares for the years ended 31 December 2025 and 2024. Since the Company has no other dilutive potential ordinary share for both years, no dilutive earnings per share has been presented.

## 8. DIVIDENDS

The directors of the Company did not recommend the declaration of any dividend for the years ended 31 December 2025 and 2024.

**9. INTEREST IN AN ASSOCIATE/INTEREST IN AN ASSOCIATE CLASSIFIED AS HELD FOR SALE**

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Interest in an associate under equity method	<u>–</u>	<u>11,887</u>
Interest in an associate classified as held for sale	<u><b>12,044</b></u>	<u>–</u>

Details of the Company's associate at the end of the reporting periods are as follows:

Name of entity	Place of incorporation	Principal place of business	Proportion of ownership interest held by the Company		Proportion of voting rights held by the Company		Principal activity
			2025	2024	2025	2024	
Oasis Avenue Limited ("Oasis")	Hong Kong	Hong Kong	<b>42.00%</b>	42.00%	<b>29.27%</b>	29.27%	Hotel services

As at 31 December 2024, the Company held approximately 29.27% of the voting rights in Oasis. By considering that the Company has no sufficiently dominant voting rights to direct the relevant activities of Oasis unilaterally, the directors of the Company conclude that the Company only has significant influence over Oasis and therefore it is classified as an associate of the Company. As at 31 December 2024, the Company held 42% of ownership interest in Oasis and the Company's share of loss and total comprehensive expense of Oasis were HK\$713,000 and the carrying amount of the Company's interest in Oasis was approximately HK\$11,887,000 and is considered not individually material to the Company.

During the year ended 31 December 2025, the management of the Company decided to dispose of its entire equity interest in Oasis and was committed to a sale plan and negotiate with potential buyers actively. After sharing the profit and total comprehensive income of Oasis of approximately HK\$157,000, the carrying amount of the Company's interest in Oasis was approximately HK\$12,044,000 and was reclassified as an asset held for sale as at 31 December 2025.

## 10. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The balance represented the Company's unlisted equity securities classified by the Company as at fair value through other comprehensive income.

	2025 HK\$'000	2024 HK\$'000
Unlisted equity securities	<b>351,570</b>	<b>200,259</b>

Particulars of the Company's equity investments at fair value through other comprehensive income as at 31 December 2025 disclosed pursuant to the Chapter 21 of the Listing Rules are as follows:

Name of investee company	Place of incorporation	Issued shares held by the Company	Number of shares issued in investee company	Proportion of investee's capital owned	Principal activities	2025			2024		
						Cost HK\$'000	Accumulated fair value adjustment since acquisition HK\$'000	Fair value HK\$'000	Dividend income received during the year HK\$'000	Net assets attributable to the Company HK\$'000	Carrying Amount HK\$'000
United Crown Future Company Limited ("United Overseas")	The British Virgin Islands (the "BVI")	2,849 class B ordinary shares*	1,200 class A ordinary shares and 3,105 class B ordinary shares	66.18% (2024: 52.68%)	Investment holding (note i)	108,487	(35,198)	73,289	- (2024: nil)	156,889	39,319
Aesthetic Vision Limited ("Aesthetic")	Hong Kong	13,782 class B ordinary shares*	1,000 class A ordinary shares and 14,282 class B ordinary shares	90.18% (2024: 85.00%)	Investment holding (note ii)	108,346	(31,210)	77,136	- (2024: nil)	157,511	48,273
Topsun Creation Limited ("Topsun")	Hong Kong	5,023 class B ordinary shares*	690 class A ordinary shares and 5,623 class B ordinary shares	79.57% (2024: 67.75%)	Investment holding (note iii)	107,918	(42,953)	64,965	- (2024: nil)	87,603	35,142
Grand Far Sky Limited ("Grand Far Sky")	Hong Kong	9,104 class B ordinary shares*	2,500 class A ordinary shares and 10,704 class B ordinary shares	68.95% (2024: 56.84%)	Investment holding (note iv)	94,390	(24,160)	70,230	- (2024: nil)	119,091	43,734
FengTian Capital Limited ("FengTian")	Hong Kong	6,550 non-voting shares	11,880 ordinary shares	55.13% (2024: 39.43%)	Investment holding (note v)	68,655	(2,705)	65,950	- (2024: nil)	76,634	33,791
						<b>487,796</b>	<b>(136,226)</b>	<b>351,570</b>		<b>597,728</b>	<b>200,259</b>

\* Class B shares have no voting rights. The Class B shares rank pari passu with the Class A shares in all aspects except for their non-voting rights.

These companies are not treated as associates or subsidiaries because the Company is not in a position to control or exercise any significant influence over the financial and operating policies of these companies or to participate in their operations. The investments are intended to be held for the medium to long-term. Classification of these investments as equity investments at fair value through other comprehensive income can avoid the volatility of the fair value changes of these investments to the profit or loss. Therefore, the unlisted equity investments of the Company are measured at fair value through other comprehensive income for financial reporting purposes. The fair value of the unlisted equity investments of the Company is determined by independent professional valuer. The valuations are either based on market approach or cost approach.

During the year ended 31 December 2025, the Company acquired additional interest in these companies in the form of Class B ordinary shares of United Overseas, Aesthetic, Topsun and Grand Far Sky and non-voting shares of FengTian. The total acquisition cost is approximately HK\$149,771,000 and as at 31 December 2025, the Company settled the acquisition cost at a total of approximately HK\$50,000,000 and with the remaining of approximately HK\$99,771,000 recognized as other payables.

### **Background information of the investee companies**

*Notes:*

#### **(i) United Overseas**

United Overseas is incorporated in the British Virgin Islands and principally engaged in investment holding. The principal asset of United Overseas is the direct 100% equity interest in a company incorporated in the PRC, which is principally engaged in development and sales of building decoration materials and essential home decoration products. Except for the additional investment fund contributed by the Company, the principal activities and assets in United Overseas' group have not been changed during the years ended 31 December 2025 and 2024.

#### **(ii) Aesthetic**

Aesthetic is incorporated in Hong Kong and is principally engaged in investment holding. The principal asset of Aesthetic is the direct 100% equity interest in a company established in the PRC, which is principally engaged in development and sales of LED lighting products. Except for the additional investment fund contributed by the Company, the principal activities and assets in Aesthetic's group have not been changed during the years ended 31 December 2025 and 2024.

#### **(iii) Topsun**

Topsun is incorporated in Hong Kong and is principally engaged in investment holding. The principal asset of Topsun is the direct 100% equity interest in a company established in the PRC, which is principally engaged in development and sales of solar cell products. Except for the additional investment fund contributed by the Company, the principal activities and assets in Topsun's group have not been changed during the years ended 31 December 2025 and 2024.

**(iv) Grand Far Sky**

Grand Far Sky is incorporated in Hong Kong and is principally engaged in investment holding. The principal asset of Grand Far Sky is the direct 100% equity interest in a company established in the PRC, which is principally engaged in the asset management. Except for the additional investment fund contributed by the Company, the principal activities and assets in Grand Far Sky's group have not been changed during the years ended 31 December 2025 and 2024.

**(v) FengTian**

FengTian is incorporated in Hong Kong and is principally engaged in investment holding. The principal asset of FengTian is the direct 88% equity interest in a company established in the PRC, which is principally engaged in development and sales of health communication products. Except for the additional investment fund contributed by the Company, the principal activities and assets in FengTian's group have not been changed during the years ended 31 December 2025 and 2024.

**11. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>2025</b>	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Investments at fair value through profit or loss</b>		
Equity securities listed in Hong Kong	<u><b>135,686</b></u>	<u>86,251</u>

The fair values of the equity securities listed in Hong Kong are based on quoted market bid prices.

Particulars of the Company's principal equity securities listed in Hong Kong as at 31 December 2025 and 2024 disclosed pursuant to the Chapter 21 of the Listing Rules are as follows:

	Note	Number of shares held	Proportion of investee's capital owned	Cost HK\$'000	Market value HK\$'000	Accumulated unrealised holding losses as at 31 December 2024 and 1 January 2025 HK\$'000	Unrealised holding gains/(losses) during the year HK\$'000	Dividend income received during the year HK\$'000	Net assets attributable to the investments HK\$'000
<b>At 31 December 2025</b>									
Alibaba Group Holding Limited	1	689,000	less than 0.01%	100,293	98,389	-	(1,904)	842	44,096
<b>At 31 December 2024</b>									
Alibaba Group Holding Limited	1	689,000	less than 0.01%	79,166	56,774	(27,078)	4,686	1,736	41,667

Note:

- Alibaba Group Holding Limited (stock code: 9988) was incorporated in the Cayman Islands and its shares are listed on the Stock Exchange. It's principal activities are the provision of technology infrastructure and marketing reach to help merchants, brands, retailers and other businesses to leverage the power of new technology to engage with their users and customers and operate in a more efficient way. At 31 December 2025, the unaudited consolidated net assets was approximately USD157,037 million (equivalent to HK\$1,222,347 million).

## 12. CASH AND BANK BALANCES

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposits during the years ended 31 December 2025 and 2024 are made for various periods from 1 day to 3 months depending on the immediate cash requirements of the Company and earn interest at respective short term time deposits rates. The carrying amount of the cash and bank balances approximate to their fair value.

## 13. SHARE CAPITAL

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Authorised:		
100,000,000,000 ordinary shares of HK\$0.01 each	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid:		
12,801,578,629 ordinary shares of HK\$0.01 each	<u><u>128,016</u></u>	<u><u>128,016</u></u>

### Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital for the years ended 31 December 2025 and 2024.

The externally imposed capital requirements is that for the Company to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares. Based on the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float of at least 25% throughout the years ended 31 December 2025 and 2024.

## 14. NET ASSET VALUE PER SHARE

As at 31 December 2025 and 2024, the net asset value per share of the Company was HK\$0.047 and HK\$0.042 respectively. The calculation of net asset value per share is based on the net asset value of the Company as at 31 December 2025 of approximately HK\$600,921,000 (2024: HK\$542,711,000) and 12,801,578,629 (2024: 12,801,578,629) ordinary shares in issue at the end of each reporting period.

## **BUSINESS REVIEW**

As an investment company, the Company's shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 August 2002 pursuant to Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). By investing in listed and unlisted companies which have high quality, the Company strive for medium to long term gains from capital appreciation in the course of securitisation of corporate assets invested, and apply the same as key operation strategy and income source.

Leveraging on many years' experience and well-connected network in the People's Republic of China ("PRC"), the Company invested in energy storage products, lighting products, energy-saving materials, health communications and asset management respectively through its investment. With energy conservation as our development goal, our investments have achieved breakthroughs in realising the five industries of "New Energy"; "New Light"; "New Materials"; "New Health" and "New Capital" in real projects.

For "New Energy"; the Company invests in Topsun Creation Limited ("Topsun"), which adopts solar cell technology as its own core to develop the strategy of "Production — Research — Preliminary Research" for the research and manufacturing of solar cell application products.

For "New Light"; the Company invests in Aesthetic Vision Limited ("Aesthetic"). Aesthetic's major product is LED lighting. It possesses of LED ergonomics technology and the LED lighting products developed are energy-saving, environmentally friendly, long-lived and small in size.

For "New Materials"; the Company invests in United Crown Future Company Limited ("United Overseas"). United Overseas' business started from building decoration materials, as focusing on four core product concepts of green, health, environmental protection and convenience, and gradually expanded to all kinds of essential home decoration products.

For "New Health"; the Company invests in FengTian Capital Limited ("FengTian"). FengTian is principally engaged in development and sales of health communication products.

For "New Capital"; the Company invests in Grand Far Sky Limited ("Grand Far Sky"). Grand Far Sky was principally engaged in asset management. Grand Far Sky group possessed a full-storey office property at the central area of Shanghai, PRC.

During the year, the Company continued to identify potential investment opportunities and made the strategic decision to increase its investment in the above businesses that align with the Company's objective of delivering medium to long-term capital appreciation.

In 2025, the Company continued to comply with the listing rules when conducting investment activities under the established investment objectives and investment strategies, and has been controlling risks and seized opportunities carefully.

### **Investing in unlisted companies**

The Company held investments in altogether six unlisted companies namely Topsun Creation Limited, Aesthetic Vision Limited, United Crown Future Company Limited, FengTian Capital Limited, Grand Far Sky Limited and Oasis Avenue Limited with carrying amount of these investments approximately of HK\$64,965,000, HK\$77,136,000, HK\$73,289,000, HK\$65,950,000, HK\$70,230,000 and HK\$12,044,000 respectively.

### **Investing in listed companies**

The Company continued to invest in listed companies in Hong Kong.

### **Value Investment Opportunities in Innovative Models**

In recent years, the Company has focused on and invested in free economic business models, such as investing in photovoltaic buildings, which does not charge rent from users, but collects power generation revenue from power companies; investing in debt notes and charge customers no interest, but receive index-linked growth returns and so on. The Company focuses on investing in such innovative projects and has become a unique highlight in the market.

All the subsidiary companies of Topsun, Aesthetic, United Overseas, FengTian and Grand Far Sky have actively responded to the new PRC's national policy of "Common Prosperity" and participated in the "Common Prosperity Plan" initiated by China Technology Education Trust Association which is a Charitable Society registered in Hong Kong. For more details, please refer to its website at [www.19988.com](http://www.19988.com). It promises to provide enterprises with one-stop solution relating to clothing, food, housing and transportation belong to 16 major categories of daily necessities products, in order to help the business customers to increase sales and end-users' consumption. Therefore, it has created a new paradigm of free economic business model. During the year, the Company increased its investment in these companies to provide capital fund support to their participation in the "Common Prosperity Plan".

## INVESTMENT PORTFOLIOS

As at 31 December 2025, the Company held certain unlisted equity securities which is disclosed below:

- (i) United Crown Future Company Limited (“United Overseas”) was incorporated in British Virgin Islands and principally engaged in investment holding. The principal assets of United Overseas include its 100% interest in a company incorporated in the People’s Republic of China (“PRC”) (“United Overseas China”). United Overseas started its business from building decoration materials, as focusing on four core product concept of green, health, environmental protection and convenience, it has gradually expanded to all kind of essential home decoration products. During the year, the Company increased in its holding of “B” non-voting shares in United Overseas from 1,621 to 2,849, representing 66.18% interests in the issued share capital of United Overseas. United Overseas did not make any significant investment, acquisition or assets disposal during the year. No dividend was received during the year.
- (ii) Aesthetic Vision Limited (“Aesthetic”) was incorporated in Hong Kong and principally engaged in investment holding. The principal assets of Aesthetic include its 100% interest in a company incorporated in the PRC (“Aesthetic China”). Aesthetic possesses LED ergonomics technology and the LED lighting products developed by it have remarkable characteristics such as energy saving, environmental protection, long life and small size. During the year, the Company increased in its holding of “B” non-voting shares in Aesthetic from 8,500 to 13,782, representing 90.18% interests in the issued share capital of Aesthetic. Aesthetic did not make any significant investment, acquisition or assets disposal during the year. No dividend was received during the year.
- (iii) Topsun Creation Limited (“Topsun”) was incorporated in Hong Kong and principally engaged in investment holding. Topsun directly holds 100% interests in a company incorporated in the PRC (“Topsun China”), which the principal activity was in relation to production of solar cell products as its major products. During the year, the Company increased in its holding of “B” non-voting shares in Topsun from 2,710 to 5,023, representing 79.57% interests in the issued share capital of Topsun. Topsun did not make any significant investment, acquisition or assets disposal during the year. No dividend was received during the year.

- (iv) FengTian Capital Limited (“FengTian”) was incorporated in Hong Kong and principally engaged in investment holding. The principal assets of FengTian include its 88% of equity shares of its subsidiary incorporated in the PRC (“FengTian China”) with 100% equity interests. FengTian principally engaged in development and sale of health communication products. During the year, the Company increased in its holding of non-voting shares in FengTian from 3,470 to 6,550, representing 55.13% interest in the issued share capital of FengTian. FengTian did not make any significant investment, acquisition or assets disposal during the year. No dividend was received during the year.
- (v) Grand Far Sky Limited (“Grand Far Sky”) was incorporated in Hong Kong and principally engaged in investment holding. Grand Far Sky holds 100% interests in a subsidiary incorporated in the PRC (“Grand Far Sky China”), of which the principle activity is asset management. During the year, the Company increased in its holding of “B” non-voting shares in Grand Far Sky from 5,400 to 9,104, which represented 68.95% interests in the issued share capital of Grand Far Sky. Grand Far Sky group holds a full-storey office property at the central area of Shanghai, PRC. Grand Far Sky did not make any significant investment, acquisition or assets disposal during the year. No dividend was received during the year.
- (vi) Oasis Avenue Limited (“Oasis”) was incorporated in Hong Kong and principally engaged in hotel services. On 30 October 2024, the Company has entered into a shareholder agreement with independent third parties, Guangdong (International) Hotel Management Holdings Limited and Oasis Story Limited, for a cash consideration of HK\$12,600,000. Accordingly, the Company holds 7,200,000 ordinary A shares and 5,400,000 “B” non-voting shares in Oasis, which represented 29.27% voting shares of Oasis and 42% interest in aggregate in the issued share capital of Oasis. The principal asset of Oasis is the right-of-use asset regarding the 10-year tenancy of Oasis Aurum 181 Hotel, located at 181 Connaught Road West, Sai Wan, Hong Kong. No dividend was received during the year.

The Company holds less than 30% voting interest in these companies. During the year ended 31 December 2025, the Company acquired additional interest in 5 of these companies in the form of Class B ordinary shares of United Overseas, Aesthetic, Topsun and Grand Far Sky and non-voting shares of FengTian. The total acquisition cost is approximately HK\$149,771,000 and as at 31 December 2025, the Company settled the acquisition cost at a total of approximately HK\$50,000,000 and with the remaining of approximately HK\$99,771,000 recognized as other payables. Subject to the call of these investee companies for the unpaid capital, the Company shall contribute the remaining balances through internal resources.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 31 December 2025, the Company had cash and bank balances of approximately HK\$139,086,000. Most of the cash and bank balances were mainly denominated in Hong Kong dollars and US Dollars.

For the year under review, the Company financed its operations with its own available funding and did not have any banking facilities. In this regard, the Company had a net cash position and its gearing ratio is zero (ratio of net debt to shareholders' funds) as at 31 December 2025. Taking into consideration the existing financial resources to the Company, it is anticipated that the Company should have adequate financial resources to meet its ongoing operating and development requirements.

## **FOREIGN CURRENCY FLUCTUATION**

During the year, the Company conducted its business transactions principally in US dollars and Hong Kong dollars. The Directors considered that the Company had no significant exposure to foreign exchange fluctuations and believed it was not necessary to hedge against any exchange risk. Nevertheless, management will continue to monitor the foreign exchange exposure position and will take any future prudent measure it deems appropriate.

## **SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION OR DISPOSAL OF INVESTMENTS**

Save as disclosed, as of 31 December 2025, the Company had no other significant investments accounting for more than 5% of the Company's total assets.

## **CHARGE ON COMPANY ASSETS AND CONTINGENT LIABILITIES**

As at 31 December 2025, the Company has not pledged its assets and the Company did not have significant contingent liabilities.

## **PROSPECTS**

The Company is one of the few investment companies in Hong Kong focusing on investment business. We invest in listed and non-listed companies with high quality to strive for medium to long-term gains from capital appreciation in the course of securitisation of corporate assets invested, and apply the same as our key operation strategy and income source.

In 2025, despite the risks brought by escalating trade protectionism and geopolitical tensions, mainland China has pledged to increase policy support. To respond to the uncertain external environment, major economies also attempt to relax their monetary policy and increase fiscal spending. Global interest rates are expected to fall further. Such macro-environment posed challenges as well as opportunities.

However, the Company believes that challenges are temporary and serve as a catalyst for transforming traditional models into innovative ones, fostering new productivity and long-term growth.

Looking ahead, the Company will remain focused on exploring investment opportunities, particularly those centered on innovative business models, to navigate the challenging global environment. Committed to fulfilling its social responsibilities, the Company will continue to leverage the power of investment for positive impact and strive to maximise value for both the Company and its shareholders.

The Company remains confident in its development prospects in the long run.

## **SUFFICIENCY OF PUBLIC FLOAT**

The Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors, throughout the year ended 31 December 2025.

## **CAPITAL STRUCTURE**

For movement of capital structure of the Company, please refer to note 13 to the results announcement.

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

During the year, the Company had not purchased, sold or redeemed any of its listed securities.

## **CORPORATE GOVERNANCE REPORT**

The Board is committed to establish and maintain high standards of corporate governance so as to enhance corporate transparency and protect the interests of the Company's shareholders. The Company devotes to best practice on corporate governance, and to the extent practicable, comply with the relevant requirements and principles of good corporate governance under the Hong Kong Companies Ordinance, the Hong Kong Securities and Futures Ordinance, the Listing Rules and the Code on Corporate Governance Practices (the "Code") as set out in Appendix C1 of the Listing Rules, except for the deviations as stated below:

- The roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual.

During the year, Mr. Xiang Xin is the Chairman of the Board and the Chief Executive Officer of the Company. This deviates from code provision C.2.1 of the Code which requires that the roles of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual.

After evaluation of the current situation of the Company and taking into account of the experience and past performance of Mr. Xiang, the Board is of the opinion that it is appropriate and in the best interests of the Company at the present stage for Mr. Xiang to hold both positions as the Chairman and the Chief Executive Officer of the Company as it helps to maintain the continuity of the policies and the stability of the operations of the Company.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix C3 of the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, the Directors of the Company have complied with the required standard set out in the Model Code and its code of conduct regarding director's securities transactions throughout the Year.

The Company also has established written guidelines on no less exacting terms than the Model Code for securities transactions by employees who are likely to be in possession of any unpublished inside information of the Company.

## **AUDITOR**

The figures in respect of the Company's statement of financial position, statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Company's auditors, McMillian Woods (Hong Kong) CPA Limited, to the amounts set out in the Company's audited financial statements for the year ended 31 December 2025. The work performed by McMillian Woods (Hong Kong) CPA Limited 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 opinion or no assurance has been expressed by McMillian Woods (Hong Kong) CPA Limited on the preliminary announcement.

The Audit Committee reviews the annual reports before submission to the Board. The Audit Committee focuses not only on the impact of the changes in accounting policies and practices but also on the compliance with accounting standards, the Listing Rules and the legal requirements in the review of the Company's annual reports.

## **PUBLICATION OF ANNUAL REPORT**

The annual report of the Company will be published on the Stock Exchange's and the Company's websites in due course.

By order of the Board  
**China Innovation Investment Limited**  
**Xiang Xin**  
*Chairman and Chief Executive Officer*

Hong Kong, 24 March 2026

*As at the date of this announcement, the executive Directors of the Company are Mr. Xiang Xin (Chairman) and Mr. Chan Cheong Yee, the independent non-executive Directors are Ms. An Jing, Ms. Zhou Zan and Ms. Qin Han, Ms. Kung Ching is an alternate Director to Mr. Xiang Xin.*