

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



閩港控股有限公司
FUJIAN HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00181)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

FINANCIAL HIGHLIGHT	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	<u>19,138</u>	<u>24,030</u>
Loss attributable to owners of the Company	<u>(15,121)</u>	<u>(33,108)</u>
Loss per share		
Basic (<i>HK cents per share</i>)	<u>(1.32)</u>	<u>(2.89)</u>
Diluted (<i>HK cents per share</i>)	<u>(1.32)</u>	<u>(2.89)</u>

RESULTS

On behalf of the Board of Directors (the “**Board**”) of Fujian Holdings Limited (the “**Company**”), I hereby present the consolidated results of the Company and its subsidiaries (collectively referred to the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025 (in HK Dollars)

	<i>Notes</i>	2025	2024
Revenue	4	19,137,666	24,029,913
Other income	6	359,904	756,743
Other gains and losses	7	(452,384)	(12,510,335)
Employee benefits expense		(14,036,178)	(11,958,148)
Depreciation of property, plant and equipment		(2,521,011)	(2,782,327)
Depreciation of right-of-use assets		(2,692,845)	(2,978,212)
Finance costs		(50,366)	(84,542)
Share of loss of an associate		(2,454,580)	(11,149,083)
Other operating expenses		(12,411,287)	(16,432,152)
Loss before tax		(15,121,081)	(33,108,143)
Income tax expense	8	—	—
Loss for the year attributable to owners of the Company	9	(15,121,081)	(33,108,143)

	<i>Notes</i>	2025	2024
Other comprehensive income/(expense) attributable to owners of the Company			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		<u>576,176</u>	<u>(568,716)</u>
Other comprehensive income/(expense) for the year attributable to owners of the Company, net of income tax		<u>576,176</u>	<u>(568,716)</u>
Total comprehensive expense for the year attributable to owners of the Company		<u><u>(14,544,905)</u></u>	<u><u>(33,676,859)</u></u>
Loss per share			
Basic (<i>HK cents per share</i>)	10	<u><u>(1.32)</u></u>	<u><u>(2.89)</u></u>
Diluted (<i>HK cents per share</i>)	10	<u><u>(1.32)</u></u>	<u><u>(2.89)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025 (in HK Dollars)

	<i>Notes</i>	2025	2024
Non-current assets			
Property, plant and equipment		106,653	3,517,094
Right-of-use assets		243,753	2,936,598
Investment properties		196,372,000	207,900,000
Interest in an associate		–	2,264,169
Financial assets at fair value through profit or loss		116,140,032	104,572,157
		312,862,438	321,190,018
Current assets			
Inventories		–	147,033
Trade and other receivables	11	1,565,939	1,323,708
Cash and bank balances		23,911,021	31,569,868
		25,476,960	33,040,609
Current liabilities			
Trade and other payables	12	7,462,742	7,776,732
Lease liabilities		178,934	1,032,334
		7,641,676	8,809,066
Net current assets		17,835,284	24,231,543
Total assets less current liabilities		330,697,722	345,421,561
Capital and reserves			
Equity attributable to owners of the Company			
Share capital	13	898,839,029	898,839,029
Reserves		(568,141,307)	(553,596,402)
Total equity		330,697,722	345,242,627
Non-current liabilities			
Lease liabilities		–	178,934
		–	178,934
		330,697,722	345,421,561

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025 (in HK Dollars)

1. BASIS OF PREPARATION

Statement of compliance

The financial information relating to the years ended 31 December 2025 and 2024 included in this preliminary announcement of annual results 2025 does 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 Companies Ordinance is as follows:

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

The Company's auditor has reported on the financial statements of the Group for the years ended 31 December 2025 and 31 December 2024. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by the way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Companies Ordinance.

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. GENERAL

Fujian Holdings Limited (the “**Company**”) is incorporated in Hong Kong as a public limited company and its shares are listed on The Stock Exchange of Hong Kong Limited. Its immediate holding company is HC Technology Capital Company Limited, a company incorporated in the British Virgin Islands and its ultimate holding company is Fujian Tourism Development Group Company Limited (“**FTDC**”), a state-owned corporation in the People’s Republic of China (the “**PRC**”). The addresses of the registered office and principal place of business of the Company is Room 3306–08, 33/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are investment holding, property investment in Hong Kong and hotel operations in the PRC.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

3. 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 Group has applied following amendments to HKFRS Accounting Standards as issued by Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

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

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7 Amendments to HKFRS 10 and HKAS 28	Contracts Referencing Nature-dependent Electricity ² Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvement to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

The directors of the Company anticipate that the application of all new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

4. REVENUE

An analysis of revenue is as follows:

	2025	2024
Revenue from other sources		
– Gross rental income	4,190,352	3,966,316
Revenue from contracts with customers		
– Hotel operations	<u>14,947,314</u>	<u>20,063,597</u>
	<u>19,137,666</u>	<u>24,029,913</u>

5. SEGMENT REPORTING

Information reported to the Board of Directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

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

Property investment	– the rental of investment properties
Hotel operations	– the operation of hotel

Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable and operating segments:

	Property investment		Hotel operations		Total	
	2025	2024	2025	2024	2025	2024
REPORTABLE SEGMENT REVENUE						
Revenue from external customers	<u>4,190,352</u>	<u>3,966,316</u>	<u>14,947,314</u>	<u>20,063,597</u>	<u>19,137,666</u>	<u>24,029,913</u>
REPORTABLE SEGMENT RESULT						
Segment result before other gains and losses:	<u>3,938,052</u>	<u>3,689,305</u>	<u>(9,960,289)</u>	<u>(9,232,162)</u>	<u>(6,022,237)</u>	<u>(5,542,857)</u>
Net decrease in fair value of investment properties	<u>(11,528,000)</u>	<u>(19,200,000)</u>	<u>–</u>	<u>–</u>	<u>(11,528,000)</u>	<u>(19,200,000)</u>
Segment result	<u>(7,589,948)</u>	<u>(15,510,695)</u>	<u>(9,960,289)</u>	<u>(9,232,162)</u>	<u>(17,550,237)</u>	<u>(24,742,857)</u>
Unallocated income					–	195,344
Finance costs					(50,366)	(84,542)
Corporate administration costs					(6,633,773)	(6,826,162)
Gain arising on change in fair value of financial assets at fair value through profit or loss					11,567,875	9,499,157
Share of loss of an associate					<u>(2,454,580)</u>	<u>(11,149,083)</u>
Loss before tax					<u>(15,121,081)</u>	<u>(33,108,143)</u>
Income tax					–	–
Loss for the year					<u>(15,121,081)</u>	<u>(33,108,143)</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2024: Nil).

The accounting policies of the operating segments are the same as the Group’s accounting policies. Segment profit represents the profit earned by each segment without allocation of other unallocated income, corporate administration costs including directors’ remuneration, share of loss of an associate, gain arising on change in fair value of financial assets at fair value through profit or loss and income tax. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Property investment		Hotel operations		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Segment assets	204,273,929	219,372,380	17,775,705	27,891,029	222,049,634	247,263,409
Interest in an associate					-	2,264,169
Financial assets at fair value through profit or loss					116,140,032	104,572,157
Unallocated corporate assets					149,732	130,892
Consolidated total assets					<u>338,339,398</u>	<u>354,230,627</u>
LIABILITIES						
Segment liabilities	(1,492,276)	(1,348,192)	(4,981,392)	(5,503,210)	(6,473,668)	(6,851,402)
Unallocated corporate liabilities					(1,168,008)	(2,136,598)
Consolidated total liabilities					<u>(7,641,676)</u>	<u>(8,988,000)</u>

All assets are allocated to operating segments other than interest in an associate, financial assets at fair value through profit or loss and certain cash and bank balances.

All liabilities are allocated to operating segments other than certain balances of current liabilities.

Other segment information

	Property investment		Hotel operations		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Other segment information								
Additions to non-current assets	-	-	-	9,503	6,197	83,800	6,197	93,303
Depreciation of property, plant and equipment	-	-	2,495,381	2,756,388	25,630	25,939	2,521,011	2,782,327
Depreciation of right-of-use assets	-	-	1,717,832	1,874,007	975,013	1,104,205	2,692,845	2,978,212
Net decrease in fair value of investment properties	11,528,000	19,200,000	-	-	-	-	11,528,000	19,200,000
Loss on disposal of property, plant and equipment	-	-	486,380	-	-	-	486,380	-
Loss on written-off of property, plant and equipment	-	-	-	2,729,401	-	21,527	-	2,750,928
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,729,401</u>	<u>-</u>	<u>21,527</u>	<u>-</u>	<u>2,750,928</u>

Geographical information

The Group operates in two principal geographical areas – the Chinese Mainland and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets other than financial assets at fair value through profit or loss is presented based on the geographical location of assets are detailed below:

	Revenue from external customers		Non-current assets	
	2025	2024	2025	2024
Chinese Mainland	14,947,314	20,063,597	–	7,373,007
Hong Kong	4,190,352	3,966,316	196,722,406	209,244,854
	<u>19,137,666</u>	<u>24,029,913</u>	<u>196,722,406</u>	<u>216,617,861</u>

Information about major customers

No external customers of the Group contributed over 10% of the Group's revenue for the years ended 31 December 2025 and 2024.

6. OTHER INCOME

	2025	2024
Bank interest income	266,149	744,585
Others	93,755	12,158
	<u>359,904</u>	<u>756,743</u>

7. OTHER GAINS AND LOSSES

	2025	2024
Net decrease in fair value of investment properties	(11,528,000)	(19,200,000)
Gain arising on change in fair value of financial assets at fair value through profit or loss	11,567,875	9,499,157
Loss on disposal of property, plant and equipment	(486,380)	–
Loss on written-off of property, plant and equipment	–	(2,750,928)
Net foreign exchange losses	(5,879)	(58,564)
	<u>(452,384)</u>	<u>(12,510,335)</u>

8. INCOME TAX

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

No Hong Kong Profits Tax is payable for the years ended 31 December 2025 and 2024. For the year ended 31 December 2025, profits arising in or derived from Hong Kong were wholly absorbed by tax losses brought forward. For the year ended 31 December 2024, the Group had no assessable profits arising in or derived from Hong Kong.

9. LOSS FOR THE YEAR

	2025	2024
Loss for the year has been arrived at after (crediting)/charging:		
Gross rental income from investment properties	(4,190,352)	(3,966,316)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	<u>252,300</u>	<u>277,011</u>
	<u>(3,938,052)</u>	<u>(3,689,305)</u>
Employee benefits expense (including directors' remunerations):		
Salaries and other benefits in kind	12,993,581	10,872,823
Contributions to retirement benefit scheme	<u>1,042,597</u>	<u>1,085,325</u>
	<u>14,036,178</u>	<u>11,958,148</u>
Depreciation of right-of-use assets	2,692,845	2,978,212
Depreciation of hotel property	2,244,971	2,449,064
Depreciation of other property, plant and equipment	<u>276,040</u>	<u>333,263</u>
Total depreciation	<u>5,213,856</u>	<u>5,760,539</u>
Auditors' remuneration	<u>839,500</u>	<u>839,500</u>

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share for the years ended 31 December 2025 and 2024 are based on the Group's loss attributable to the owners of the Company is based on the following data:

	2025	2024
Loss		
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	<u>(15,121,081)</u>	<u>(33,108,143)</u>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<u>1,145,546,000</u>	<u>1,145,546,000</u>

No diluted loss per share for both 2025 and 2024 were presented as there were no potential ordinary shares in issue for both 2025 and 2024.

11. TRADE AND OTHER RECEIVABLES

	2025	2024
Trade receivables	1,224,455	840,256
Loss allowance	<u>(114,442)</u>	<u>(111,622)</u>
	<u>1,110,013</u>	<u>728,634</u>
Other receivables, utility deposits and prepayments	459,810	598,863
Loss allowance	<u>(3,884)</u>	<u>(3,789)</u>
	<u>455,926</u>	<u>595,074</u>
Total trade and other receivables	<u>1,565,939</u>	<u>1,323,708</u>

The following is an aged analysis of trade receivables net of loss allowance presented based on the invoice dates at the end of the reporting period.

	2025	2024
0–30 days	–	840,256
31–60 days	44,574	–
61–90 days	<u>1,179,881</u>	<u>–</u>
	<u>1,224,455</u>	<u>840,256</u>
Less: Loss allowance	<u>(114,442)</u>	<u>(111,622)</u>
	<u>1,110,013</u>	<u>728,634</u>

12. TRADE AND OTHER PAYABLES

	2025	2024
Trade payables	15,445	772,418
Other payables and accruals	6,237,225	5,794,522
Rental deposits received	1,210,072	1,209,792
	<u> </u>	<u> </u>
Total trade and other payables	<u><u>7,462,742</u></u>	<u><u>7,776,732</u></u>

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

	2025	2024
0–180 days	–	569,755
181–365 days	–	242
Over 365 days	15,445	202,421
	<u> </u>	<u> </u>
	<u><u>15,445</u></u>	<u><u>772,418</u></u>

The average credit period is 60 days (2024: 60 days).

13. SHARE CAPITAL

	2025		2024	
	<i>Number of shares</i>	<i>HK\$</i>	<i>Number of shares</i>	<i>HK\$</i>
Issued and fully paid				
At 1 January and 31 December	<u><u>1,145,546,000</u></u>	<u><u>898,839,029</u></u>	<u><u>1,145,546,000</u></u>	<u><u>898,839,029</u></u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the year ended 31 December 2025, the Group recorded net loss attributable to owners of the Company of approximately HK\$15.12 million (2024: loss of HK\$33.11 million).

The Group's net loss is mainly attributable to (i) the loss arising on change in fair value of investment properties; (ii) the loss arising on associated company; and (iii) the reduce in turnover of the hotel operation during the period under review.

The turnover of the Group for the year ended 31 December 2025 amounted to approximately HK\$19.14 million, representing a decrease of approximately 20.35% from approximately HK\$24.03 million in the corresponding year. The decrease is mainly due to the decrease in business volume of star-rated hotel operation during the year under review.

Given our good balance sheet status and cash generation ability, our financial position continues to be strong. As at 31 December 2025, the gearing ratio (divided total liabilities by equity multiple by 100 which results in percentage) of the Group was approximately 2.31% (2024: 2.60%).

Our group has consistently maintained a low debt ratio and possesses ample liquidity. By enhancing internal management, training, and improving systems, we will further focus on cost control to minimize cash outflows.

OPERATIONAL REVIEW

A. Star-rated hotel operation

Star-rated hotel operations constitute the Group's primary revenue source. Based on its location and existing facility structure, Xiamen Plaza Hotel (hereinafter referred to as "**Plaza Hotel**") is positioned as a leisure and business hotel. Beyond accommodation services, Plaza Hotel actively expands its customer base by developing venue rentals and conference hosting services. As 2025 marks the year of conclusion for Plaza Hotel, the hotel will gradually phase out new business initiatives, reduce signing new lease agreements and conference contracts, and transition smoothly into the next phase. Meanwhile, the Group is actively pursuing new hotel management projects. Zhangzhou Fulaixi Hotel (hereinafter referred to as "**Fulaixi**") is positioned as a coastal resort hotel, with its core business segments and future development direction centered around "coastal resort" and "cultural tourism convergence. In January 2026, Fulaixi officially joined the Zhangzhou Employee Health Retreat Base Alliance. It will continue to deepen the integration of "medical care, wellness, rehabilitation, and tourism," developing integrated products combining "retreat, rehabilitation, and culture" to expand new customer markets.

Spending has slowdown as a real estate downturn weigh on consumers. For the year ended 31 December 2025, the turnover of the hotel operation was approximately HK\$14.95 million (2024: HK\$20.06 million), representing a decrease of approximately 25.47% from the corresponding period of last year.

For the period under review, the average occupancy rate was approximately 31% (2024: 44%), representing an decrease of approximately 29.55% over the corresponding year. Average daily rate (ADR) was approximately RMB316 (2024: RMB327) representing an decrease of 3.36% over the corresponding year.

The following table sets out the amount and percentage of contributions from different businesses of the star-rated hotel operation for the year ended 31 December 2025, together with comparative figures as of 31 December 2024:

	31 December 2025		31 December 2024	
	<i>HK\$ in thousand</i>	<i>% of revenue</i>	<i>HK\$ in thousand</i>	<i>% of revenue</i>
Accommodation revenue	6,650	44%	10,102	50%
Catering	5,205	35%	7,969	40%
Rental revenue	2,151	14%	1,066	5%
Others	941	7%	926	5%
	14,947	100%	20,063	100%

Accommodation revenue

The accommodation revenue was mainly determined by the number of available rooms, occupancy rate and ADR of the Group's hotel. During the year, the accommodation revenue of star-rated hotel was approximately HK\$6.65 million, representing an decrease of approximately 34% over the corresponding year of 2024.

Since 2015, the hotel developed its group catering business. During the review period, the group generated approximately HK\$5.21 million in revenue, representing a decrease of approximately 35% over the corresponding year.

Rental revenue

In order to stabilise the income of the hotel operation, the hotel leased out the shopping center in the Group's hotel. This contributed to approximately HK\$2.15 million in rental revenue during the year under review, representing approximately 14% of the hotel operation's turnover.

Carry forward the cause and forge ahead into the future

The operation permit of Xiamen Plaza Hotel (hereinafter referred to as “**Plaza Hotel**”) expires on December 31, 2025. In recent years, its financial performance has declined, impacting the Group’s overall financial condition. After careful consideration, the Board of Directors has decided not to extend Plaza Hotel’s operation permit. Instead, it will establish a subsidiary, Zhangzhou Fulaixi Hotel Management Co., Ltd., to enter into a contract management agreement with Fujian Fulv Youth Cultural Exchange Co., Ltd. for the contracted management of Dongshan Fulaixi Hotel.

Fulaixi opened in 2023, featuring modern, well-equipped facilities, superb ocean views, and private villas. It offers diverse accommodation services and will contribute to the profitability of the Group’s hotel operations. Additionally, Fulaixi provides event venues for conferences, wedding banquets, and other gatherings. Located beside the public beach within Jinluan Bay Tourist Area in Dongshan County, Fujian Province, its superior coastal location near the sea and beaches is expected to attract customers.

Moving forward, consumer demand for leisure and domestic travel is gradually being released as the economy recovers. Hotel operations are steadily normalizing, and market confidence in the domestic hotel sector is gradually being reestablished.

B. Hong Kong properties held by the Group

Hong Kong’s economy is affected by various external factors, many enterprises in Hong Kong have decided to move out of Central due to cost savings and some office tenants have delayed or shelved office leases, so the Hong Kong Grade A office market constantly under pressure and the group’s investment property project rental rate is only about 80% during the review period. As demand remains weak and expected commercial property market rents remain under pressure, the outlook for the coming year will remain uncertain.

During the period under review, the rental income of the properties in Hong Kong was approximately HK\$4.19 million, compared to the corresponding period of last year representing an increase of approximately 6%.

C. Piano Manufacturing

The Group diversified its business into piano manufacturing by acquiring a 25% equity interest in Fuzhou Harmony Piano Co. Ltd. (“**Harmony Piano**”) in 2006. This business interest has brought a steady profit to the Group for the past few years. Due to multiple adverse factors including declining market sales, rising of manufacturing materials and impairment loss for the year, the Group recorded a share of loss from its interest in Harmony Piano for the year approximately HK\$2.45 million for the period under review (2024: loss of approximately HK\$11.15 million).

To address unfavourable factors such as declining sales, rising costs, and falling profits, Harmony Piano has implemented a series of adaptive measures. Under its existing production capacity, the company is promoting reform and innovation to enhance its long-term competitiveness and profitability.

D. Finance Leasing

The Company as at 31 December 2025 held direct equity interest of 18.44% in Fujian Huamin Leasing Company Limited (福建華閩融資租賃有限公司) (“**Fujian Huamin Leasing**”). Fujian Huamin Leasing is a PRC incorporated company and is principally engaged in the provision of financial leasing and associated services. The investment cost of the significant investment was HK\$76.42 million. The fair value of the equity interest in Fujian Huamin Leasing was HK\$116.14 million as at 31 December 2025, representing approximately 34.33% of the total assets of the Company as at 31 December 2025.

For the year ended 31 December 2025, the interest in finance leasing contributed approximately HK\$11.57 million profit in fair value which designated at fair value through profit or loss for the year (2024: profit of approximately HK\$9.50 million).

FUTURE DEVELOPMENT

The global macroeconomy stands at a complex and volatile critical turning point, with multiple factors such as heightened trade policy uncertainties, intensified geopolitical tensions, and financial market volatility converging to form a multifaceted impact. The escalating protectionism continues to disrupt the global trade order. Meanwhile, China’s GDP for the full year of 2025 reached 140,187.9 billion yuan, marking a 5.0% increase from the previous year and surpassing the 140-trillion-yuan threshold for the first time, successfully concluding the 14th Five-Year Plan period. The nation will continue to adhere to the general principle of pursuing progress while ensuring stability, implement more proactive macroeconomic policies, and sustain the effects of growth-stabilizing policies. By prioritizing domestic demand, innovation-driven development, and green transformation, China will further solidify and build upon the positive momentum of its stable economic growth.

Facing current opportunities and challenges, the Group will remain committed to its core business, focusing on enhancing core competitiveness while proactively and prudently exploring new pathways for growth. We will first solidify our existing market share while maintaining reasonable profit margins, and when conditions permit, we will timely expand into new markets, broaden our brand influence, and actively explore online business opportunities. We will concentrate our superior resources to accelerate the injection of new projects and accelerate our expansion into core strategic hubs and high-potential lower-tier markets. Looking ahead, the Group will maintain strategic focus. While steadily expanding its core business, it will embrace technological innovation with an open and prudent approach. Viewing the deep integration of technology and cultural tourism as a key strategic direction for the future, the Group will actively seek and invest in high-quality projects in related fields to create new growth drivers. We believe that through proactive exploration and strategic investment in technology-enabled projects, we will not only enhance the risk resilience and profitability of our core business but also seize opportunities in the sweeping industry transformation, delivering long-term and stable returns for our shareholders.

FINANCIAL REVIEW

Capital Structure

As at 31 December 2025, the total share capital of the Company was HK\$898,839,029 divided into 1,145,546,000 ordinary shares.

Liquidity and Financial Resources

As at 31 December 2025, the Group had a net cash balance of approximately HK\$23.91 million (2024: HK\$31.57 million). The Group's net asset value (assets less liabilities) was approximately HK\$330.70 million (2024: HK\$345.42 million), with a liquidity ratio (ratio of current assets to current liabilities) of 3.33 (2024: 3.75). During the year under review, there was no material change in the Group's funding and treasury policies. The Directors do not expect the Company to experience any problem with liquidity and financial resources in the foreseeable future.

Charge on Assets

As at 31 December 2025, the Group had not charged any of its assets (2024: Nil).

Funding and Treasury Policies

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the Group's senior management in Hong Kong.

Treasury Management and Cash Funding

The Group's funding and treasury policies are designed to maintain a diversified and balanced debt profile and financing structure. The Group continues to monitor its cash flow position and debt profile, and to enhance the cost-efficiency of funding initiatives by its centralised treasury function. In order to maintain financial flexibility and adequate liquidity for the Group's operations, potential investments and growth, the Group has built a strong base of funding resources and will keep exploring cost-efficient ways of financing.

Bank Loans and Other Borrowings

There was no outstanding bank loan and other borrowing by the Company and the Group as at 31 December 2025 (2024: Nil).

Capitalised Borrowing Costs

No borrowing cost was being capitalised during the year ended 31 December 2025 (2024: Nil).

Exposure to Fluctuation in Exchange Rate and Related Hedges

There has been no significant change in the Group's policy in terms of exchange rate exposure. The Group operates mainly in Hong Kong and Chinese Mainland. Most of the transactions and cash and cash equivalents are denominated in Hong Kong dollars ("HK\$") and in Renminbi ("RMB"). The Group is exposed to foreign currency risk due to the exchange rate fluctuation of RMB against HK\$. Moderate fluctuation of RMB against HK\$ was expected. The Group considered the foreign currency risk exposure is acceptable. However, management of the Group will monitor foreign exposure closely and consider the use of hedging instruments when necessary.

As most of the Company's business operations are located in Hong Kong and Chinese Mainland, the Company faces foreign currency risks due to exchange gain/loss from exchange rate fluctuations as well as currency conversion risk due to converted net asset value fluctuations of investment projects in Chinese Mainland. To effectively manage foreign currency risk, the Company closely monitors foreign exchange markets, and utilises multiple strategic approaches, such as optimising cash management strategy and project finance instruments, to manage foreign exchange risk.

Material Acquisitions and Disposals

During the year under review, there were no material acquisition or disposal of any subsidiary, associate or joint venture of the Group.

Capital Expenditure and Commitment

During the year under review, the Group's capital expenditure was HK\$6,000 (2024: HK\$90,000). There was no outstanding capital commitments as at 31 December 2025 and 2024.

Contingent Liability

The Group did not have any significant contingent liability during the year under review.

Major Events

Save as aforesaid, the Group had no material capital commitments and no future plans for material investments or capital assets as at 31 December 2025.

As at 31 December 2025, the Company had only one significant investment with a value over 5 per cent of the total assets of the Company. The significant investment represented the direct equity interest of 18.44% held in Fujian Huamin Leasing Company Limited (福建華閩融資租賃有限公司) (“**Fujian Huamin Leasing**”) by the Company as at 31 December 2025. Fujian Huamin Leasing is a PRC incorporated company and is principally engaged in the provision of financial leasing and associated services. The investment cost of the significant investment was approximately HK\$76.42 million. The fair value of the equity interest in Fujian Huamin Leasing was approximately HK\$116.14 million as at 31 December 2025, representing approximately 34.33% of the total assets of the Company as at 31 December 2025. During the year ended 31 December 2025, the significant investment in Fujian Huamin Leasing contributed a profit arising on change in fair value of financial assets at fair value through profit or loss of HK\$11.57 million and no dividend was earned during the year. The Board considers that the significant investment in Fujian Huamin Leasing allows the Group to take advantage of the tax and financial benefits from the China (Fujian) Pilot Free Trade Zone (中國(福建)自由貿易試驗區) and diversify the business of the Group to leasing and associated services within the Fujian Province, PRC and also allow the Group to diversify its streams of income.

China's financial leasing industry is projected to experience continued growth in 2026.

This growth is expected to be driven by several key factors:

- **Economic Recovery:** As China's economy gradually recovers, there is an anticipated increase in demand for financial leasing services across various sectors.
- **Policy Support:** Government initiatives aimed at promoting consumption and consumer finance are expected to bolster the financial leasing market.
- **Sector-Specific Growth:** Certain segments, such as consumer loan asset-backed securities (ABS) and micro and small enterprise (MSE) loan ABS, are projected to continue driving growth in securitization issuance.

However, the industry may face challenges, including stricter financial market regulations and intensified competition. To address these issues, it is recommended that Fujian Huamin Leasing deepen the implementation of policies promoting the financial leasing business, improve financing regulations, reduce financing costs, and enhance the contribution of return variables to strengthen the momentum of sustainable development.

Overall, while the financial leasing industry in China is expected to continue its growth trajectory in 2026, it will need to navigate these challenges to maintain sustainable development.

Human Resources

As at 31 December 2025, the Group had approximately 30 employees in Hong Kong and Xiamen. The remuneration package was determined with reference to performance and the prevailing market rate. The Group also provides employees with training, the opportunity to join its mandatory provident fund scheme and medical insurance cover.

DISTRIBUTABLE RESERVES

There was no Company's reserve available for distribution to shareholders as at 31 December 2025 (2024: Nil).

DIVIDENDS

The Directors do not recommend the payment of a dividend for the year ended 31 December 2025 (2024: Nil).

PURCHASES, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries made, all Directors confirmed that they had complied with the required standards of dealings as set out in the Model Code during the year.

INVESTMENT PROPERTIES

At 31 December 2025, the investment properties of the Group were revalued by an independent firm of professional surveyor and property valuer on an open market value basis at HK\$196.37 million.

Particulars of investment property interests held by the Group at 31 December 2025 are as follows:

Investment properties	Leasehold expiry	Gross floor area (square feet)	Year of completion	Group's attributable interest
Hong Kong				
Commercial				
Shop Nos. 1, 3 and 4 on Ground Floor together with open yard adjoining thereto and the whole of First and Second Floors, Sun Ming Court, Nos. 84–90 Castle Peak Road, Sham Shui Po, Kowloon	2047	10,464	1981	50%
Units A, C and D on 21st Floor, Wing On House, 71 Des Voeux Road Central, Hong Kong	2047	8,340	1967	100%
Others				
Motor cycle parking space Nos. 54, 55, 56, 57 and 58 of Yuet Ming Building, No. 52 Yuet Wah Street, Kwun Tong, Kowloon	2047	–	1975	100%

CORPORATE GOVERNANCE PRACTICES

To create a long term value for the interests of the Shareholders is the Board's main objective. As such, the Board is highly committed to achieving a high standard of corporate governance and striving to maintain the management practices in a transparent and responsible way. The Board reviews and improves the Group's corporate governance practices and business ethics on an ongoing basis.

Save as disclosed, for the year ended 31 December 2025 and up to the date of this annual report, the Company complied with all the code provisions, where applicable, as set out in the Corporate Governance Code (the "**CG Code**") and Corporate Governance Report in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

RISK MANAGEMENT

The Company's management believes that risk management is an essential component of the Group's administrative structure. The management assists the Board in evaluating material risk exposure existing in the Group's business, including investment risk, interest rate risk, liquidity risk etc, and participates in designing and formulating appropriate risk management and internal control measures, and to ensure its implementation in daily operational management.

The management considers that the investment risk management measures provide guarantee to the Group through its way of seeking new development opportunities, as to secure reasonable return in every investment, to reduce investment risks and to avoid possible loss attributable to investments.

The Group's risk management towards liquidity aims to ensure that under all circumstances there exists sufficient capital to fulfill repayment obligations of all debts due, to maintain good creditworthiness, to finance reasonable investment opportunities and to fuel business development. The Group's accounting department is responsible for daily financial activities and monitoring liquidity position from time to time to cope with business operation of the Company.

The Board had conducted a review on the effectiveness of the Group's internal control and risk management systems once during the year ended 31 December 2025 which covered financial, operational, compliance procedural and risk management functions and had considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. In light of the size and scale of the Group's businesses, the Board is also delegated with the responsibilities for the internal control of the Group and for reviewing its effectiveness.

The Group believes that good corporate governance practices are very important for maintaining and promoting investor confidence and for the sustainable growth of the Group. The Group has therefore made continued efforts to uplift its quality of corporate governance. It has established a highly effective system of internal controls and adopted a series of measures to ensure its safety and effectiveness. As a result, the Group is able to safeguard its assets and protect the interests of its shareholders.

The Board is of the view that the systems of internal control and risk management are effective and there are no irregularities, improprieties, frauds or other deficiencies that suggest material deficiency in the effectiveness of the Group's internal control system.

CORPORATE CORRESPONDENCE

The Company commits to report to the shareholders of the Company the Group's corporate information in a timely and punctual way through notifying or mailing to all shareholders via press release, Interim Report and Annual Report. The circular of the Annual General Meeting will be distributed to all shareholders of the Company at least 21 days prior to the meeting, which set out the requirements and the procedure of the vote and the relevant details of other proposed resolutions. The printed copies of the Group's Annual Report and Interim Report have been dispatched to all the shareholders.

The Company also maintains a corporate website on which comprehensive information about the Group is provided.

The Company is committed to ensure that it is fully compliant with disclosure obligations stipulated under the Listing Rules and other applicable laws and regulations, and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information that is released by the Group.

CORPORATE MONITOR

The Board is responsible for monitoring the Group's overall corporate reporting process and control system, while the corporate reporting standard is handled by the accounting department, which makes regular review of resources allocation and financial reporting system properly. Compliance with Code on Corporate Governance Practices, the Listing Rules, SFO and other applicable laws and regulations are handled by the Company Secretary. The Company's management meets with the Executive Directors regularly to review and brief the reporting system, and the Audit Committee annually to review and brief the reporting system.

A package of detailed materials setting out the duties and responsibilities of the Directors of the Company is provided to each newly appointed Director of the Company, in which it is especially specified the applicable rules and regulations (including the Listing Rules) that the first time appointed Directors of the Company shall notice and understand.

In respect of the securities transactions made by Directors and relevant employees, the Company has adopted Appendix C3 to the Listing Rules, the Model Code, as its own Code of conduct regarding the standard for securities transactions. Printed copies of the Model Code have been distributed to each Director and relevant employees of the Group as stipulated therein. Having made specific enquires of all Directors, all the Directors confirmed that they have complied with the standards set out therein.

Employees who are likely to be in possession of unpublished price-sensitive information about the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code.

SUFFICIENCY OF PUBLIC FLOAT

Based on information available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as of the date of this announcement.

PUBLICATION OF INFORMATION ON THE STOCK EXCHANGE WEBSITE

This announcement is published on the websites of the Company (www.fujianholdings.com) and the Stock Exchange (www.hkexnews.hk). The annual report of the Company for the year ended 31 December 2025 will be dispatched to shareholders of the Company and available on the above websites in due course.

AUDIT COMMITTEE AND AUDITORS

The Audit Committee of the Company has reviewed the financial results of the Group for the year ended 31 December 2025. The figures in respect of the Group's consolidated statement of financial position, consolidated 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 this announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited ("**HLB**"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by HLB 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 HKICPA and consequently no assurance has been expressed by HLB on this announcement.

ACKNOWLEDGEMENTS

I would like to take this opportunity to extend my sincere gratitude to all shareholders, business partners and customers for their support, and to all our colleagues for their efforts, hard work and dedication. Their hard work represents the foundation of the Group's future business development.

By Order of the Board
Fujian Holdings Limited
Yang Liyu
Executive Director

Hong Kong, 26 March 2026

As at the date of this announcement, the existing Board of Directors comprises nine Directors, including three Executive Directors, namely Mr. Yang Liyu, Mr. Su Qingpeng and Mr. Zhang Jianmin, three Non-executive Directors, namely Mr. Huang Songqing and Mr. Wu Jingchao and Mr. Yu Xing and three Independent Non-executive Directors, namely Mr. Lam Kwong Siu, Mr. Ng Man Kung and Ms. Liu Mei Ling Rhoda.