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## 盛源控股有限公司

SHENG YUAN HOLDINGS LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 851)**

### ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board of directors (the “**Directors**”, collectively referred to as the “**Board**”) of Sheng Yuan Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the consolidated results of the Group for the year ended 31 December 2025 (the “**Reporting Period**”) together with the comparative figures for the corresponding year ended 31 December 2024 as follows:

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 December 2025*

|  | <i>Notes</i> | <b>2025</b><br><b><i>HK\$'000</i></b> | 2024<br><i>HK\$'000</i> |
|--|--------------|---------------------------------------|-------------------------|
| Revenue  | 5            | <b>111,284</b>                        | 26,292                  |
| Other gains and losses   | 6            | <b>5,773</b>                          | 20,725                  |
| Other income   | 7            | <b>2,729</b>                          | 4,011                   |
| Purchase of inventories for trading business   |              | <b>(89,449)</b>                       | –                       |
| Staff costs  | 10           | <b>(9,764)</b>                        | (7,792)                 |
| Depreciation   |              | <b>(1,619)</b>                        | (1,659)                 |
| Finance costs  | 8            | <b>(111)</b>                          | (204)                   |
| Other expenses   | 9            | <b>(8,235)</b>                        | (10,689)                |
| (Provision for)/write-back of impairment loss on financial assets, net                 | 14           | <b>(271)</b>                          | 5,044                   |
| <b>Profit before income tax</b>  |              | <b>10,337</b>                         | 35,728                  |
| Income tax expenses  | 11           | <b>(655)</b>                          | (3,842)                 |
| <b>PROFIT FOR THE YEAR</b>   |              | <b>9,682</b>                          | 31,886                  |
| <b>Other comprehensive income:</b>   |              |                                       |                         |
| <i>Item that are or may be reclassified subsequently to profit or loss</i>             |              |                                       |                         |
| – Exchange differences on translation of financial statements of overseas subsidiaries |              | <b>1</b>                              | 2                       |
| <b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>                             |              | <b>1</b>                              | 2                       |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   |              | <b>9,683</b>                          | 31,888                  |
| <b>Profit for the year attributable to owners of the Company</b>                       |              | <b>9,682</b>                          | 31,886                  |
| <b>Total comprehensive income for the year attributable to owners of the Company</b>   |              | <b>9,683</b>                          | 31,888                  |
| <b>EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>                        | 13           |                                       |                         |
| – Basic (HK cents)   |              | <b>1.10</b>                           | 3.62                    |
| – Diluted (HK cents)   |              | <b>1.10</b>                           | 3.62                    |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December 2025

|  | <i>Notes</i> | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|--------------|--------------------------------|-------------------------|
| <b>Non-current assets</b>                                |              |                                |                         |
| Property, plant and equipment                            |              | <b>92</b>                      | 228                     |
| Right-of-use assets                                      | <i>17</i>    | <b>988</b>                     | 2,471                   |
| Trading rights   |              | –                              | –                       |
| Goodwill   |              | –                              | –                       |
| Other assets   |              | <b>205</b>                     | 205                     |
| Long-term deposit  | <i>14</i>    | –                              | 510                     |
|  |              | <u><b>1,285</b></u>            | <u>3,414</u>            |
| <b>Current assets</b>                                    |              |                                |                         |
| Accounts and other receivables, deposits and prepayments | <i>14</i>    | <b>37,535</b>                  | 5,995                   |
| Financial assets at fair value through profit or loss    | <i>15</i>    | <b>19,806</b>                  | 14,000                  |
| Current tax assets                                       |              | <b>2,519</b>                   | –                       |
| Deposit with maturities over 3 months when acquired      |              | –                              | 56,958                  |
| Trust bank balances held on behalf of clients            |              | <b>37,324</b>                  | 22,336                  |
| Cash and cash equivalents                                |              | <b>85,874</b>                  | 44,043                  |
|  |              | <u><b>183,058</b></u>          | <u>143,332</u>          |
| <b>Current liabilities</b>                               |              |                                |                         |
| Accounts and other payables and accruals                 | <i>16</i>    | <b>56,626</b>                  | 24,827                  |
| Current tax liabilities                                  |              | –                              | 2,252                   |
| Lease liabilities  | <i>17</i>    | <b>998</b>                     | 1,633                   |
| Contract liabilities                                     |              | <b>450</b>                     | 450                     |
|  |              | <u><b>58,074</b></u>           | <u>29,162</u>           |
| <b>Net current assets</b>                                |              | <u><b>124,984</b></u>          | <u>114,170</u>          |
| <b>Total assets less current liabilities</b>             |              | <u><b>126,269</b></u>          | <u>117,584</u>          |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 December 2025

|                                | Notes | 2025<br>HK\$'000      | 2024<br>HK\$'000      |
|--------------------------------|-------|-----------------------|-----------------------|
| <b>Non-current liabilities</b> |       |                       |                       |
| Lease liabilities              | 17    | <u>–</u>              | <u>998</u>            |
| <b>NET ASSETS</b>              |       | <b><u>126,269</u></b> | <b><u>116,586</u></b> |
| <b>Capital and reserves</b>    |       |                       |                       |
| Share capital                  |       | <b>88,197</b>         | 88,197                |
| Reserves                       |       | <b><u>38,072</u></b>  | <u>28,389</u>         |
| <b>TOTAL EQUITY</b>            |       | <b><u>126,269</u></b> | <b><u>116,586</u></b> |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

## 1. GENERAL INFORMATION

Sheng Yuan Holdings Limited (the “**Company**”) is an exempted company with limited liability incorporated and domiciled in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is Units 3208–9, 32/F, Grand Millennium Plaza, Cosco Tower, No.183 Queen’s Road Central, Sheung Wan, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”). Its parent and ultimate holding company is Yuanyin Holdings Limited, a company incorporated in the British Virgin Islands with limited liabilities. The presentation currency of the Group is Hong Kong dollars (“**HK\$**”).

The Company is an investment holding company. Its subsidiaries (together with the Company collectively referred to as the “**Group**”) are principally engaged in provision of securities brokerage and financial services, asset management services, proprietary trading and trading business.

The consolidated financial statements for the year ended 31 December 2025 were approved for issue by the board of directors on 31 March 2026.

## 2. MATERIAL ACCOUNTING POLICIES

### (a) Statement of compliance

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. 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.

HKFRS Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards,
- Hong Kong Accounting Standards, and
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

The HKICPA has issued certain amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3(i) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these consolidated financial statements.

**(b) Basis of preparation of the consolidated financial statements**

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for certain financial assets which are measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**3. ADOPTION OF NEW OR AMENDED HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES**

**(i) Changes in accounting policies**

The Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA to these consolidated financial statements for the current accounting period:

- Amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability

The adoption of the above new or amended HKFRS Accounting Standards has no material impact on the Group's results, financial position and accounting policies.

**(ii) Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025**

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group.

**Effective for  
accounting periods  
beginning on  
or after**

|  |                  |
|--|------------------|
| Amendments to HKFRS 9, Financial instruments and HKFRS 7,<br>Financial instruments: disclosures – Amendments to the<br>classification and measurement of financial instruments | 1 January 2026   |
| Amendments to HKFRS 9, Financial instruments and HKFRS 7,<br>Financial instruments: disclosures – Contracts referencing<br>nature-dependent electricity                        | 1 January 2026   |
| Annual improvements to HKFRS Accounting Standards<br>– Volume 11   | 1 January 2026   |
| HKFRS 18, Presentation and disclosure in financial statements  | 1 January 2027   |
| HKFRS 19, Subsidiaries without public accountability: disclosures  | 1 January 2027   |
| Amendments to HK-Int 5, Presentation of financial statements<br>– Classification by the borrower of a term loan that contains a<br>repayment on demand clause                  | 1 January 2027   |
| Amendments to HKAS 21, Translation to a hyperinflationary<br>presentation currency   | 1 January 2027   |
| Amendments to HKFRS 10 and HKAS 28, Sale or contribution of<br>assets between an investor and its associate or joint venture   | To be determined |

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statements of profit or loss and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the abovementioned changes in presentation and disclosure, these pronouncements are not expected to have a material impact on the results or the financial position of the Group.

#### 4. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major service lines as follows:

- (a) Securities brokerage and financial services – provision of discretionary and non-discretionary dealing services for securities and futures contracts, securities placing and underwriting services, margin financing and money lending services, corporate finance advisory, general advisory services and custodian services;
- (b) Asset management services – provision of fund management and discretionary portfolio management and investment advisory services;
- (c) Proprietary trading – investment holding and securities trading; and
- (d) Trading business – trading of commodities products.

No operating segments identified have been aggregated in arriving at the reportable segments of the Group. Each of these operating segments is managed separately as each of the service lines requires different resources as well as marketing approaches.

|  | Securities<br>brokerage<br>and financial<br>services<br><i>HK\$'000</i> | Asset<br>management<br>services<br><i>HK\$'000</i> | Proprietary<br>trading<br><i>HK\$'000</i> | Trading<br>business<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|--|---|--|---|--|--------------------------|
| <b>2025</b>  |   |  |   |  |                          |
| <b>Reportable segment revenue</b>  |   |  |   |  |                          |
| Total segment revenue  | <u>11,961</u>   | <u>9,327</u>                                       | <u>–</u>                                  | <u>89,996</u>                          | <u>111,284</u>           |
|  | <u><u>11,961</u></u>  | <u><u>9,327</u></u>                                | <u><u>–</u></u>                           | <u><u>89,996</u></u>                   | <u><u>111,284</u></u>    |
| <b>Revenue from external customers</b>   |   |  |   |  |                          |
| – Fee and commission income  | 11,961  | 9,327  | –   | –                                      | 21,288                   |
| – Trading of commodities products  | –   | –  | –   | 89,996                                 | 89,996                   |
|  | <u>11,961</u>   | <u>9,327</u>                                       | <u>–</u>                                  | <u>89,996</u>                          | <u>111,284</u>           |
|  | <u><u>11,961</u></u>  | <u><u>9,327</u></u>                                | <u><u>–</u></u>                           | <u><u>89,996</u></u>                   | <u><u>111,284</u></u>    |
| <b>Revenue from external customers</b>   |   |  |   |  |                          |
| – Timing of revenue recognition  |   |  |   |  |                          |
| At a point in time   | 958   | –  | –   | 89,996                                 | 90,954                   |
| Over time  | <u>11,003</u>   | <u>9,327</u>                                       | <u>–</u>                                  | <u>–</u>                               | <u>20,330</u>            |
|  | <u>11,961</u>   | <u>9,327</u>                                       | <u>–</u>                                  | <u>89,996</u>                          | <u>111,284</u>           |
|  | <u><u>11,961</u></u>  | <u><u>9,327</u></u>                                | <u><u>–</u></u>                           | <u><u>89,996</u></u>                   | <u><u>111,284</u></u>    |
| – Geographical region: Hong Kong   | <u>11,961</u>   | <u>9,327</u>                                       | <u>–</u>                                  | <u>89,996</u>                          | <u>111,284</u>           |
|  | <u><u>11,961</u></u>  | <u><u>9,327</u></u>                                | <u><u>–</u></u>                           | <u><u>89,996</u></u>                   | <u><u>111,284</u></u>    |
| <b>Reportable segment result</b>   | <u><u>9,459</u></u>   | <u><u>6,774</u></u>                                | <u><u>6,462</u></u>                       | <u><u>286</u></u>                      | <u><u>22,981</u></u>     |
| Provision for impairment loss on financial assets                              | –   | (25)   | –   | (246)                                  | (271)                    |
| Changes in fair value of financial assets at fair value through profit or loss | –   | –  | 5,806                                     | –                                      | 5,806                    |
| Interest income from banks and others  | 1,492   | 9  | 1   | –                                      | 1,502                    |
| <b>Reportable segment assets</b>   | <u><u>37,959</u></u>  | <u><u>68</u></u>                                   | <u><u>19,808</u></u>                      | <u><u>35,470</u></u>                   | <u><u>93,305</u></u>     |
| <b>Reportable segment liabilities</b>  | <u><u>38,391</u></u>  | <u><u>58</u></u>                                   | <u><u>–</u></u>                           | <u><u>16,383</u></u>                   | <u><u>54,832</u></u>     |

|   | Securities<br>brokerage<br>and financial<br>services<br><i>HK\$'000</i> | Asset<br>management<br>services<br><i>HK\$'000</i> | Proprietary<br>trading<br><i>HK\$'000</i> | Trading<br>business<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|---|---|--|---|--|--------------------------|
| <b>2024</b>   |   |  |   |  |                          |
| <b>Reportable segment revenue</b>   |   |  |   |  |                          |
| Total segment revenue   | 14,412  | 17,993   | –   | 172                                    | 32,577                   |
| Inter-segment revenue ( <i>Note a</i> )   | (763)   | (5,522)  | –   | –                                      | (6,285)                  |
|   | <u>13,649</u>   | <u>12,471</u>                                      | <u>–</u>                                  | <u>172</u>                             | <u>26,292</u>            |
| <b>Revenue from external customers</b>  |   |  |   |  |                          |
| – Fee and commission income   | 13,649  | 12,471   | –   | –                                      | 26,120                   |
| – Financing services income   | –   | –  | –   | 172                                    | 172                      |
|   | <u>13,649</u>   | <u>12,471</u>                                      | <u>–</u>                                  | <u>172</u>                             | <u>26,292</u>            |
| <b>Revenue from external customers</b>  |   |  |   |  |                          |
| – Timing of revenue recognition   |   |  |   |  |                          |
| At a point in time  | 1,357   | –  | –   | –                                      | 1,357                    |
| Over time   | 12,292  | 12,471   | –   | –                                      | 24,763                   |
| <b>Revenue from other sources</b>   | –   | –  | –   | 172                                    | 172                      |
|   | <u>13,649</u>   | <u>12,471</u>                                      | <u>–</u>                                  | <u>172</u>                             | <u>26,292</u>            |
| – Geographical region: Hong Kong  | <u>13,649</u>   | <u>12,471</u>                                      | <u>–</u>                                  | <u>172</u>                             | <u>26,292</u>            |
| <b>Reportable segment result</b>  | <u>12,841</u>   | <u>13,045</u>                                      | <u>23,711</u>                             | <u>222</u>                             | <u>49,819</u>            |
| (Provision for)/write-back of impairment loss on<br>financial assets              | (156)   | 2,490  | 2,578                                     | 132                                    | 5,044                    |
| Changes in fair value of financial assets at fair<br>value through profit or loss | –   | –  | 3,253                                     | –                                      | 3,253                    |
| Gain on disposal of debt instruments  | –   | –  | 17,468                                    | –                                      | 17,468                   |
| Interest income from banks and others   | 3,187   | 25   | 45  | –                                      | 3,257                    |
| <b>Reportable segment assets</b>  | <u>23,215</u>   | <u>4,736</u>                                       | <u>13,999</u>                             | <u>–</u>                               | <u>41,950</u>            |
| <b>Reportable segment liabilities</b>   | <u>23,004</u>   | <u>62</u>  | <u>–</u>                                  | <u>–</u>                               | <u>23,066</u>            |

*Note:*

- (a) Inter-segment transactions were entered into the normal course of business. As at 31 December 2025, there was no inter-segment transactions of the Group.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its consolidated financial statements prepared under HKFRS Accounting Standards, except that certain other income; directors' emoluments; interest expenses on lease liabilities; income tax expense; and corporate income and expenses which are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segments. Common expenditures are allocated between operating segments based on proportion of segment revenue where necessary. Inter-segment revenue are charged on the expenses incurred by the relevant subsidiary plus certain percentage.

Segment assets include all assets but do not include current tax assets, property, plant and equipment, right-of-use assets, cash and cash equivalent and deposit with maturities over 3 months of the Group. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarters, including prepayment, deposits and other receivables. Segment liabilities include all liabilities but do not include current tax liabilities and lease liabilities. In addition, corporate liabilities which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

The amounts presented for the Group's operating segments are reconciled to the Group's key financial figures as presented in the consolidated financial statements as follows:

|                                       | 2025                  | 2024                 |
|---------------------------------------|-----------------------|----------------------|
|                                       | <i>HK\$'000</i>       | <i>HK\$'000</i>      |
| <b>Profit or loss</b>                 |                       |                      |
| Reportable segment revenue            | <u>111,284</u>        | <u>26,292</u>        |
| Group's revenue                       | <u><u>111,284</u></u> | <u><u>26,292</u></u> |
| Reportable segment result             | 22,981                | 49,819               |
| Finance costs                         | (111)                 | (204)                |
| Depreciation                          | (1,619)               | (1,659)              |
| Corporate expenses*                   | <u>(10,914)</u>       | <u>(12,228)</u>      |
| Consolidated profit before income tax | <u><u>10,337</u></u>  | <u><u>35,728</u></u> |

\* Mainly staff costs, including directors' emoluments, and other professional fees.

|   | 2025                  | 2024                  |
|---|-----------------------|-----------------------|
| <b>Assets and liabilities</b>                       | <b>HK\$'000</b>       | <b>HK\$'000</b>       |
| Reportable segment assets                           | 93,305                | 41,950                |
| Current tax assets                                  | 2,519                 | –                     |
| Cash and cash equivalents                           | 85,874                | 44,043                |
| Property, plant & equipment                         | 92                    | 228                   |
| Right-of-use assets                                 | 988                   | 2,471                 |
| Deposit with maturities over 3 months when acquired | –                     | 56,958                |
| Corporate assets                                    | <u>1,565</u>          | <u>1,096</u>          |
| Consolidated total assets                           | <u><u>184,343</u></u> | <u><u>146,746</u></u> |
| Reportable segment liabilities                      | 54,832                | 23,066                |
| Current tax liabilities                             | –                     | 2,252                 |
| Lease liabilities                                   | 998                   | 2,631                 |
| Corporate liabilities                               | <u>2,244</u>          | <u>2,211</u>          |
| Consolidated total liabilities                      | <u><u>58,074</u></u>  | <u><u>30,160</u></u>  |

The following table sets out information about the geographical location of the Group's revenue from external customers and the Group's non-current assets\*\*. The geographical location of customers is based on the location at which the subsidiary operates. The geographical location of non-current assets\*\* is based on the physical location of the asset, in the case of property, plant and equipment and right-of-use assets.

|                       | Revenue from          |                      | Non-current         |                     |
|-----------------------|-----------------------|----------------------|---------------------|---------------------|
|                       | external customers    |                      | assets**            |                     |
|                       | 2025                  | 2024                 | 2025                | 2024                |
|                       | <i>HK\$'000</i>       | <i>HK\$'000</i>      | <i>HK\$'000</i>     | <i>HK\$'000</i>     |
| Hong Kong (domicile)# | <u><u>111,284</u></u> | <u><u>26,292</u></u> | <u><u>1,080</u></u> | <u><u>2,699</u></u> |

\*\* Non-current assets exclude other assets.

# The Company is an investment holding company incorporated in Bermuda where the Group does not have any activities. The Group has the majority of its operations in Hong Kong, and therefore, Hong Kong is considered as the Group's place of domicile for the purpose of disclosures as required by HKFRS 8, Operating Segments.

The Group's customers include the following with whom transactions have exceeded 10% of the Group's revenue:

|                                | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--------------------------------|-------------------------|-------------------------|
| Customer A ( <i>Note i</i> )   | –                       | 9,800                   |
| Customer B ( <i>Note ii</i> )  | –                       | 9,312                   |
| Customer C ( <i>Note ii</i> )  | –                       | 3,079                   |
| Customer D ( <i>Note iii</i> ) | 54,363                  | –                       |
| Customer E ( <i>Note iii</i> ) | 35,633                  | –                       |
|                                | <u>54,363</u>           | <u>–</u>                |

*Notes:*

- i. Revenue from this customer is attributable to securities brokerage and financial services segment.
- ii. Revenue from these customers is attributable to asset management services segment.
- iii. Revenue from these customers is attributable to trading business segment.

## 5. REVENUE

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Revenue from contracts with customers</b>                          |                         |                         |
| <u>Fee and commission income</u>                                      |                         |                         |
| <i>Securities brokerage and financial services segment:</i>           |                         |                         |
| – Securities and futures brokerage                                    | 958                     | 1,357                   |
| – Corporate finance service income                                    | 8,000                   | 8,000                   |
| – Consultancy fee income  | 283                     | 127                     |
| – Custodian fee   | 2,720                   | 4,165                   |
| <i>Asset management services segment:</i>                             |                         |                         |
| – Fund and portfolio management and investment advisory               | 9,327                   | 12,471                  |
| <i>Trading business segment:</i>                                      |                         |                         |
| – Trading of commodities products                                     | 89,996                  | –                       |
|   | <u>111,284</u>          | <u>26,120</u>           |
| <b>Revenue from other sources</b>                                     |                         |                         |
| <u>Interest income calculated using the effective interest method</u> |                         |                         |
| – Financing services  | –                       | 172                     |
| <b>Total</b>  | <u>111,284</u>          | <u>26,292</u>           |

The following table provides information about contract liabilities from contracts with customers:

|                      | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|----------------------|-------------------------|-------------------------|
| Contract liabilities | <u>450</u>              | <u>450</u>              |

The Group has applied the practical expedient in HKFRS 15 to its customer contracts relating to fund and portfolio management and investment advisory services and corporate finance service such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts that had an original expected duration of one year or less and any estimated amounts of variable consideration that are constrained.

## 6. OTHER GAINS AND LOSSES

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Changes in fair value of financial assets at fair value through profit or loss | 5,806                   | 3,253                   |
| Net foreign exchange (loss)/gain   | (33)                    | 4                       |
| Net gain on disposal of debt instruments held at FVTPL ( <i>Note a</i> )       | <u>–</u>                | <u>17,468</u>           |
|  | <u>5,773</u>            | <u>20,725</u>           |

*Note:*

- (a) On 8 September 2021, 15 September 2021 and 16 September 2021, the Group has subscribed for certain listed bonds and a note (“**Atta Notes**”) issued by Atta Asset 4 Limited (“**Atta Asset**”) in an aggregate principal amount of US\$29,580,000 (approximately HK\$230,724,000), comprising the Group’s proprietary investment with a subscription amount of US\$2,500,000 (approximately HK\$19,500,000) and the Flourishing Fund’s Subscriptions (as further explained below). In the opinion of the Directors, the Group’s proprietary investment was financed by the Group’s internal resources while the Flourishing Fund’s Subscriptions was financed by a note of US\$27,080,000 (approximately HK\$211,224,000) carrying interest at 12.5% per annum (“**Kingwell Notes**”) issued by the Group to Flourishing Fountain Investment Limited (“**Flourishing**”), an independent third party. The Flourishing Fund’s Subscriptions comprised (i) subscription of certain listed bonds in the principal amount of US\$10,580,000 (approximately HK\$82,524,000) with coupon rate of 12.5% per annum; (ii) the subscription of certain listed bonds in the principal amount of US\$6,500,000 (approximately HK\$50,700,000) with coupon rate of 12.5% per annum and (iii) the entering into of the Atta Notes purchase agreement and the purchase of Atta Notes in the principal amount of US\$10,000,000 (approximately HK\$78,000,000) which shall

pay interest of US\$740,000 semiannually since 1 May 2022 and up to 7 May 2024 (equivalent to 14.8% per annum). Flourishing would bear the loss incurred (if any) by the Flourishing Fund's Subscriptions pursuant to the terms of the transaction documents with respect to the Kingwell Notes.

The effect of the purchase of the Atta Notes, which is a leveraged note, by the Group with the corresponding part of the proceeds from Kingwell Notes is that the Group has facilitated an additional leverage subscription of the listed bonds as Atta Assets has also subscribed for the listed bonds for economic hedge purpose. In this respect, pursuant to the terms of the Atta Notes and the Kingwell Notes, the Group is able to earn an interest spread of approximately 2% per annum of its principal subscription amount of the Atta Notes, being the difference between its interest receivables from the Atta Notes and its interest payables under the Kingwell Notes. During the year ended 31 December 2023, the Group recognised a net note interest spread of US\$211,000 (approximately HK\$1,637,000) under other income.

On 21 March 2024, the Group, Flourishing, and Atta Asset entered into a termination agreement in which Atta Asset shall pay the Group the principal and agreed interest of US\$10,000,000 (approximately HK\$78,000,000) and US\$3,330,000 (approximately HK\$25,841,000) (collectively referred to as the "**Repayment Amount**"). Specifically, (i) a total of US\$12,916,667 (approximately HK\$100,633,000) out of the Repayment Amount shall be settled separately between Atta Asset and Flourishing, which includes an aggregate principal amount of US\$10,000,000 (approximately HK\$78,000,000) together with interest of US\$2,916,667 (approximately HK\$22,633,000) on the Kingwell Notes obligation to Flourishing; and (ii) the remaining sum of US\$413,333 of the Repayment Amount shall be paid by Atta Asset to the Group.

On 26 April 2024, the Group and Flourishing entered into a settlement agreement in which Flourishing shall make payments to the Group in an aggregate amount of US\$2,442,200 (approximately HK\$18,951,000) and transfer its right to the proceeds received by the Group of US\$370,300 (approximately HK\$2,874,000) from the Flourishing Fund's subscriptions to the Group (the "**Payoff**"). Upon completion of the Payoff, the Group shall transfer the Flourishing Fund's subscriptions and the Group's proprietary investment to Flourishing, which shall be deemed to have redeemed all of the Kingwell Notes subscribed by Flourishing. The aggregate amount of the Payoff, US\$2,812,500 (approximately HK\$21,825,000), represents the proceeds from the disposal of the Group's debt instruments held at FVTPL.

Further details on the above transactions are detailed in the Company's announcements dated 12 August 2022, and 21 March 2024 and 26 April 2024 and the Company's circular dated 30 November 2022.

## 7. OTHER INCOME

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Interest income from banks  | 1,502                   | 3,257                   |
| Dividend income from financial assets at fair value<br>through profit or loss | 767                     | 730                     |
| Sundry income   | 460                     | 24                      |
|   | <u>2,729</u>            | <u>4,011</u>            |

## 8. FINANCE COSTS

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Interest on lease liabilities ( <i>Note 17</i> ) | <u>111</u>              | <u>204</u>              |

## 9. OTHER EXPENSES

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Auditor's remuneration                                   |                         |                         |
| – audit services   | 1,150                   | 1,150                   |
| – non-audit services                                     | 200                     | 200                     |
| Expense relating to short-term leases ( <i>Note 17</i> ) | 135                     | 142                     |
| Legal and professional fee                               | 3,148                   | 4,971                   |
| Others   | 3,602                   | 4,226                   |
|  | <u>8,235</u>            | <u>10,689</u>           |

## 10. STAFF COSTS

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Staff costs, including directors' emoluments</b> |                         |                         |
| – Fees, salaries, allowances and bonuses            | 9,344                   | 7,586                   |
| – Retirement benefit scheme contributions           | 303                     | 268                     |
| – Changes of provision for long service payment     | 117                     | (62)                    |
|   | <u>9,764</u>            | <u>7,792</u>            |

## 11. INCOME TAX EXPENSES

(a) Taxation in the consolidated statement of profit or loss represents:

The provision for Hong Kong Profits Tax for 2025 takes into account a reduction granted by the Hong Kong SAR government of 100% of the tax payable for the year of assessment 2024/25 subject to a maximum reduction of HK\$1,500 for each business (2024: HK\$3,000).

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Current tax – Hong Kong Profits Tax</b>  |                         |                         |
| – Provision for current year                | 245                     | 2,352                   |
| – Under provision in respect of prior years | <u>410</u>              | <u>1,490</u>            |
| <br>Total income tax expense                | <br><u><u>655</u></u>   | <br><u><u>3,842</u></u> |

The provision for Hong Kong Profits Tax for 2025 is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5% in 2025. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25%.

## 12. DIVIDENDS

No dividend was proposed or paid during the years ended 31 December 2025 and 2024, nor has any dividend been proposed since the end of the Reporting Period.

## 13. EARNINGS PER SHARE

### Basic earnings per share

The calculation of basic earnings per share is based on the profits attributable to owners of the Company of approximately HK\$9,682,000 (2024: profits of approximately HK\$31,886,000) and the weighted average number of 881,970,541 (2024: 881,970,541) ordinary shares in issue during the year.

### Diluted earnings per share

No diluted earnings per share are presented as the Company did not have any potentially diluted ordinary share outstanding during the years ended 31 December 2025 and 2024.

#### 14. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Accounts receivables                           | 49,533                  | 18,161                  |
| Less: Provision for impairment loss recognised | <u>(13,763)</u>         | <u>(13,492)</u>         |
|  | 35,770                  | 4,669                   |
| Prepayments                                    | 659                     | 615                     |
| Other receivables and deposits                 | 596                     | 711                     |
| Rental deposit                                 | <u>510</u>              | <u>510</u>              |
|  | <u>1,765</u>            | <u>1,836</u>            |
|  | <u><u>37,535</u></u>    | <u><u>6,505</u></u>     |
|  | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
| Analysis for reporting purposes:               |                         |                         |
| Current  | 37,535                  | 5,995                   |
| Non-current                                    | <u>–</u>                | <u>510</u>              |
|  | <u><u>37,535</u></u>    | <u><u>6,505</u></u>     |

The movement in the provision for/(write-back of) impairment loss recognised, net on accounts and other receivables, is set out below:

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| At the beginning of the year                                  | 13,492                  | 18,536                  |
| Provision for/(write-back of) impairment loss recognised, net | <u>271</u>              | <u>(5,044)</u>          |
| At the end of the year  | <u><u>13,763</u></u>    | <u><u>13,492</u></u>    |

The analysis of accounts receivables is as follows:

|  | <b>2025</b>            | 2024            |
|--|------------------------|-----------------|
|  | <b><i>HK\$'000</i></b> | <i>HK\$'000</i> |
| Arising from the business of dealing in securities and futures |                        |                 |
| – HKSCC and HKCC   | <b>112</b>             | –               |
| Arising from asset management services                         | <b>5,318</b>           | 5,305           |
| Arising from underwriting and placing services                 | <b>8,000</b>           | 8,000           |
| Arising from custodian services                                | <b>270</b>             | –               |
| Arising from advisory services                                 | –                      | 4,656           |
| Arising from corporate finance services                        | <b>200</b>             | 200             |
| Arising from trading of commodities products                   | <b>35,633</b>          | –               |
|  | <b>49,533</b>          | 18,161          |
| Less: Provision for impairment loss recognised                 | <b>(13,763)</b>        | (13,492)        |
|  | <b>35,770</b>          | 4,669           |

The normal settlement terms of accounts receivables arising from the business of dealing in securities are one to two business days after the respective trade dates. The normal settlement terms of accounts receivable arising from the business of dealing in futures contracts are one business day after the respective trade dates. The amount due from margin clients are repayable on demand subsequent to the settlement date and bear interest at Hong Kong Dollar Prime Rate plus a spread of 8% (2024: Hong Kong Dollar Prime Rate plus a spread of 8%) per annum. The amounts due from HKSCC and HKCC are repayable on demand except for the required margin deposits for the trading of futures contracts.

Settlement of amounts arising from asset management service, underwriting and placing services, corporate finance services, advisory services and custodian services is in accordance with the terms set out in respective agreements, usually within one year after the service obligation has been fulfilled. And the settlement of amounts arising from financial service are normally due immediately from date of billing with a credit period of 60 days on average to its client. Settlement of amounts arising from trading of commodities products are normally due immediately from date of billing with a credit period of 30 days on average to its client.

The following table provides information about the exposure to credit risk for amounts arising from dealing in securities and futures, asset management services, underwriting and placing services, custodian services, advisory services, corporate finance services and trading of commodities products.

| As at 31 December 2025   | Expected<br>loss rate<br>(%) | 2025   |                                      |
|--------------------------|------------------------------|--|--------------------------------------|
|                          |                              | Gross<br>carrying<br>amount<br><i>HK\$'000</i> | Loss<br>allowance<br><i>HK\$'000</i> |
| Not past due             | –                            | 202  | –                                    |
| 0 to 30 days past due    | –                            | 90   | –                                    |
| 31 to 60 days past due   | 0.70                         | 35,723   | (250)                                |
| 61 to 90 days past due   | –                            | –  | –                                    |
| 91 to 180 days past due  | –                            | –  | –                                    |
| 181 to 270 days past due | 59.38                        | 8  | (5)                                  |
| 271-365 days past due    | 77.78                        | 9  | (7)                                  |
| Over 365 days past due   | 100.00                       | 13,501   | (13,501)                             |
|                          |                              | <u>49,533</u>                                  | <u>(13,763)</u>                      |
|                          |                              |  |                                      |
| As at 31 December 2024   | Expected<br>loss rate<br>(%) | 2024   |                                      |
|                          |                              | Gross<br>carrying<br>amount<br><i>HK\$'000</i> | Loss<br>allowance<br><i>HK\$'000</i> |
| Not past due             | 0.17                         | 4,662  | (8)                                  |
| 0 to 30 days past due    | 26.36                        | 3  | (1)                                  |
| 31 to 60 days past due   | 40.06                        | 3  | (1)                                  |
| 61 to 90 days past due   | 40.06                        | 3  | (1)                                  |
| 91 to 180 days past due  | 40.06                        | 9  | (4)                                  |
| 181 to 270 days past due | 42.66                        | 9  | (4)                                  |
| 271-365 days past due    | 94.55                        | 5  | (6)                                  |
| Over 365 days past due   | 100.00                       | 13,467   | (13,467)                             |
|                          |                              | <u>18,161</u>                                  | <u>(13,492)</u>                      |

**15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

|                                       | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---------------------------------------|--------------------------------|-------------------------|
| Equity securities listed in Hong Kong | <b>19,806</b>                  | 14,000                  |

**16. ACCOUNTS AND OTHER PAYABLES AND ACCRUALS**

|  | <b>2025</b><br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|--|--------------------------------|-------------------------|
| Accounts payables arising from the business of dealing in securities and futures contracts |                                |                         |
| – Cash clients   | <b>36,009</b>                  | 20,029                  |
| – Margin clients   | <b>1,427</b>                   | 2,307                   |
|  | <b>37,436</b>                  | 22,336                  |
| Accounts payables arising from the trading business of commodities products                | <b>16,383</b>                  | –                       |
|  | <b>53,819</b>                  | 22,336                  |
| Other payables   | <b>961</b>                     | 793                     |
| Accruals   | <b>1,846</b>                   | 1,698                   |
|  | <b>56,626</b>                  | 24,827                  |

The normal settlement terms of accounts payables arising from the business of dealing in securities are one to two business days after the respective trade dates. The normal settlement terms of accounts payables arising from the business of dealing in futures contracts are one business day after the respective trade dates. The amounts payable to cash and margin clients are repayable on demand except for the required margin deposits for the trading of futures contracts. No ageing analysis in respect of accounts payables is disclosed as, in the opinion of the directors, the ageing analysis does not give additional value in view of the business nature. The normal settlement terms of accounts payables arising from trading of commodities products are normally due immediately from date of billing.

## 17. LEASES

The Group leased an office property from which it operated and does not contain any extension option. There was no potential future cash outflows for the years ended 31 December 2025 and 2024 as the lease agreement does not contain extension option.

None of the leases contain variable lease payments.

Set out below are the carrying amounts of right-of-use assets and lease liabilities recognised and the movements during the year:

### Right-of-use assets

|                              | Office premises |              |
|------------------------------|-----------------|--------------|
|                              | 2025            | 2024         |
|                              | HK\$'000        | HK\$'000     |
| At the beginning of the year | 2,471           | 3,954        |
| Depreciation                 | (1,483)         | (1,483)      |
| At the end of the year       | <u>988</u>      | <u>2,471</u> |

### Lease liabilities

|                                    | Office premises |              |
|------------------------------------|-----------------|--------------|
|                                    | 2025            | 2024         |
|                                    | HK\$'000        | HK\$'000     |
| At the beginning of the year       | 2,631           | 4,171        |
| Interest expense ( <i>Note 8</i> ) | 111             | 204          |
| Lease payments                     | (1,744)         | (1,744)      |
| At the end of the year             | <u>998</u>      | <u>2,631</u> |
| Analysed into:                     |                 |              |
| Current liabilities                | 998             | 1,633        |
| Non-current liabilities            | –               | 998          |

As at 31 December 2025 and 2024, the Group had total future lease payments for leases committed but not yet commenced falling due as follows:

|  | Minimum<br>lease payment<br><i>HK\$'000</i> | Interest<br><i>HK\$'000</i> | Present<br>Value<br><i>HK\$'000</i> |
|--|---|-----------------------------|-------------------------------------|
| Not later than one year                          | 1,744                                       | (111)                       | 1,633                               |
| Later than one year and not later than two years | <u>1,017</u>                                | <u>(19)</u>                 | <u>998</u>                          |
| <b>At 31 December 2024</b>                       | <b><u>2,761</u></b>                         | <b><u>(130)</u></b>         | <b><u>2,631</u></b>                 |
| Not later than one year                          | <u>1,017</u>                                | <u>(19)</u>                 | <u>998</u>                          |
| <b>At 31 December 2025</b>                       | <b><u>1,017</u></b>                         | <b><u>(19)</u></b>          | <b><u>998</u></b>                   |

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Depreciation expense of right-of-use assets     | 1,483                   | 1,483                   |
| Interest on lease liabilities ( <i>Note 8</i> ) | 111                     | 204                     |
| Expense relating to short-term leases           | <u>135</u>              | <u>142</u>              |

The Group has no expense relating to leases of low-value assets, excluding rental under short-term leases.

The total cash outflow for lease in the year ended 31 December 2025 was approximately HK\$1,879,000 (2024: HK\$1,886,000).

## **FINAL DIVIDEND**

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

## **BUSINESS AND FINANCIAL REVIEW**

For the year ended 31 December 2025, the revenue of the Group increased to approximately HK\$111.3 million, representing an increase of 323% as compared with a revenue of approximately HK\$26.3 million for the year ended 31 December 2024. Profit for the year ended 31 December 2025 was approximately HK\$9.7 million, as compared with a profit of approximately HK\$31.9 million for the year ended 31 December 2024. The decrease in net profit is primarily attributable to (1) the absence of non-recurring gains recognised in FY2024 from the disposal of debt instruments held at fair value through profit or loss of approximately HK\$17.5 million, and (2) the write-back of impairment loss on financial assets of approximately HK\$5.0 million.

During the Reporting Period, the total revenue of Sheng Yuan Financial Services Group Limited (a subsidiary of the Company) and its subsidiaries (collectively, the “**SYFS Group**”) decreased by approximately 18.4% to approximately HK\$21.3 million (2024: HK\$26.1 million). For securities brokerage and financial services business, revenue from securities brokerage and financial services during the year ended 31 December 2025 decreased by 11.8% to approximately HK\$12.0 million (2024: approximately HK\$13.6 million); segment result recorded a profit of approximately HK\$9.5 million (2024: a profit of approximately HK\$12.8 million). Such decrease in both revenue and profit was mainly because the decline of clients initiated their Debt Capital Market (“**DCM**”) and Equity Capital Market (“**ECM**”) projects during the year.

For asset management business, as of 31 December 2025, Sheng Yuan Asset Management Limited (“**SYAM**”) acted as the fund manager or investment adviser for two discretionary accounts. The total assets under management (the “**AUM**”) of SYAM decreased 100% to Nil for the year ended 31 December 2025 (2024: approximately HK\$0.17 million). During the Reporting Period, the Group recorded segment revenue of approximately HK\$9.3 million (2024: approximately HK\$12.5 million) generated from asset management business, representing a decrease of approximately 25.6%; it recorded segment profit of approximately HK\$6.8 million (2024: HK\$13.0 million), representing a decrease of approximately 47.7%. The decrease in the segment revenue was mainly due to the decrease in investment advisory agreement during the year ended 31 December 2025.

For proprietary trading business, the Company mainly invests, through its subsidiaries, in listed shares and real estate bonds in the Hong Kong market. During the Reporting Period, the Group resumed its proprietary trading business. The segment profit from the proprietary trading business was approximately HK\$6.5 million (2024: approximately HK\$23.7 million).

The Group started its trade business during the year to expand and diversify its source of revenue. During the Reporting Period, the segment achieved a profit of approximately HK\$0.3 million (2024: a profit of approximately HK\$0.2 million).

## **PROSPECTS AND FUTURE PLANS**

Looking ahead to 2026, Hong Kong stands at a critical juncture where multiple positive factors converge, reinforcing its status as Asia’s premier International Financial Centre, wealth management hub, and innovation powerhouse. The global liquidity environment is improving with the continuation of the US Federal Reserve’s rate cut cycle and a stabilizing HIBOR. Domestically, policy dividends are accelerating with the commencement of China’s “15th Five-Year Plan,” and financial connectivity within the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) is deepening through initiatives like the optimized Cross-boundary Wealth Management Connect and cross-border payment interconnections. Furthermore, a recovery in visitor arrivals and consumption is expected to generate a positive wealth effect.

The IPO market remains robust, with multiple institutions forecasting full-year fundraising to reach HK\$320-350 billion from approximately 150-200 listings across diverse sectors like new energy, technology, biomedicine, and consumer goods. Analyst consensus targets for the Hang Seng Index generally range from 28,000 to 31,000 points, with optimistic scenarios projecting a rise range from 34,000 to 36,500 points. This anticipated growth will be supported by sustained buying from southbound funds, overseas institutions reallocating to Chinese assets, and continued capital inflows.

Meanwhile, the Hong Kong Monetary Authority’s (HKMA) “Fintech 2030” vision, focus on data infrastructure, artificial intelligence, resilience, and tokenization, is driving the financial industry’s transformation. This presents unprecedented innovation and growth opportunities for integrated financial service institutions.

The Group will uphold its philosophy of “prudent optimism, steady progress, and controllable risks.” By leveraging its SFC licenses (Types 1, 4, 6, and 9), the Group seeks to seize the historic window of global capital inflows. Building on the market recovery, aligning with national strategies, and harnessing technology-driven growth, the Group is committed to high-quality, sustainable expansion and to creating long-term, stable value for shareholders and clients.

The Group's strategic pillars for 2026 focus on leveraging its SFC license advantages to drive digital transformation, prudently grow AUM, and strengthen its capital markets franchise. In asset management, the strategy centres on capturing cross-border capital inflows, particularly from Mainland China and the Middle East. By offering stable income and ESG-themed products, including Islamic finance-compatible solutions and green investment vehicles, all in full compliance with evolving disclosure standards. The corporate finance arm will target high-growth "New Quality Productive Forces" sectors to capitalize on the vibrant IPO market, while forging deeper cross-border collaborations to enhance its regional influence. Risk management remains paramount, with a highly conservative approach to capital allocation, rigorous stress testing, and close monitoring of geopolitical events to ensure full regulatory compliance. The Group will also align its business development with national strategies like the GBA and Belt and Road Initiative, positioning itself as a "super-connector" for Middle Eastern capital seeking access to Chinese markets. Finally, ESG principles will be embedded across all operations, from investment decisions to internal practices for the purpose to enhance brand reputation, attract international capital and top-tier talents to ensure long-term sustainable value creation.

Despite external challenges in 2026, including fluctuations in Sino-US trade policy and shifting global interest rate trends, the Group faces the future with confidence, underpinned by a stable financial foundation, a professional team, a diversified license portfolio, deep alignment with national strategies, and stringent risk controls. The Group is uniquely positioned to leverage its sharp market insight and prudent business strategy to fully capitalize on the historic opportunity presented by the global reallocation of capital.

The Board will continue to focus on maximizing shareholder value, prudently seizing market opportunities, and guiding the Group toward steady growth, sustainable development, and long-term value creation. The Group remains committed to supporting Hong Kong's role as an International Financial Centre, promoting high-quality integrated development in the Greater Bay Area, and contributing to the country's high-level financial opening-up.

## **MATERIAL ACQUISITION AND DISPOSAL**

There were no material acquisitions or disposal of subsidiaries, associates and joint ventures during the Reporting Period.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As of 31 December 2025, cash and bank balances in general accounts maintained by the Group were approximately HK\$85.9 million, representing an increase of approximately 95.2% from approximately HK\$44.0 million as of 31 December 2024. Balances in deposit with maturities over 3 months were Nil, representing a decrease of 100% from approximately HK\$57.0 million. Balances in trust and segregated accounts were approximately HK\$37.3 million, representing an increase of approximately 67.3% from approximately HK\$22.3 million as of 31 December 2024. Accounts and other receivables, deposits and prepayments were approximately HK\$37.5 million as at 31 December 2025, representing increase of approximately 477% from approximately HK\$6.5 million in 2024. Such increase is mainly due to the increase in accounts receivables from trading business customers. Accounts and other payables and accruals were approximately HK\$56.6 million as at 31 December 2025 representing an increase of approximately 128.2% from approximately HK\$24.8 million in 2024. The increase in accounts and other payables was mainly attributable to higher outstanding balances arising from the trading business vendors. The Group's current assets and current liabilities as of 31 December 2025 were approximately HK\$183.1 million (2024: HK\$143.3 million) and approximately HK\$58.1 million (2024: HK\$29.2 million), respectively. The long-term liability as of 31 December 2025 was Nil (2024: HK\$1.0 million). The gearing ratio of the Group, measured by total liabilities to total assets, was not applicable as at 31 December 2025 and 2024 because the Group has no debts such as borrowings. As at 31 December 2025, the Group recorded net assets of approximately HK\$126.3 million (2024: net assets of approximately HK\$116.6 million). During the year ended 31 December 2025, the Group financed its operations with internally generated cash flows.

## **FOREIGN EXCHANGE RISK MANAGEMENT**

The Group's transactions are mainly denominated in Hong Kong dollars, and United States dollars ("USD"), and Renminbi ("RMB"). The Group has not implemented any foreign currency hedging policies. However, the Group's management will closely monitor exchange rate movement and will take appropriate actions to reduce the risks.

## **CAPITAL STRUCTURE**

The Directors monitor the Group's capital structure by reviewing cash flow requirements and considering its future financial obligations and commitments. The capital structure of the Group comprises of issued share capital and reserves attributable to shareholders. The Directors review the Group's capital structure regularly. There are no changes in capital structure during the Reporting Period.

## **CONTINGENT LIABILITIES**

As at 31 December 2025, the Group did not have any material contingent liabilities.

## **DIVIDEND POLICY**

The Company has adopted a dividend policy, the objective of which is to allow shareholders of the Company to participate in the Company's profits whilst retaining adequate reserves to sustain the Group's future growth. The declaration, form, frequency, and amount of dividend paid by the Company must be in accordance with relevant laws and regulations and subject to the bye-laws of the Company. In deciding whether to declare any dividend, the Board will take into account of a number of factors, including the financial results, the distributable reserves, the operations, and liquidity requirements, and the current and future development plans of the Company. The Board will review the dividend policy of the Company as appropriate from time to time.

## **PLEDGE OF ASSETS**

As at 31 December 2025, the Group did not have any pledged assets.

## **HUMAN RESOURCES**

As at 31 December 2025, the Group employed 21 employees. The remuneration policy and package of the Group's employees are maintained at market level and are reviewed annually by the management. In addition to basic salary, discretionary bonuses, mandatory pension fund and medical insurance scheme, share options may also be granted to eligible employees at the discretion of the Board and are subject to the performance of the individual employees as well as the Group.

The Group regards our staff as the most important asset and resource and provides regular training courses and a variety of development programs and has developed relevant training policies and procedures to enhance the effectiveness of such training programs.

During the Reporting Period, the Group has organized both internal and external training courses for employees. Such training courses covered topics including but not limited to industrial updates, compliance matters, occupational health, and safety, etc.

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

During the Reporting Period, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities. As of 31 December 2025, the Company did not hold any treasury shares.

## **AUDIT COMMITTEE**

The Company has an Audit Committee which was established in accordance with Rule 3.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) for the purposes of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The audited results for the year ended 31 December 2025 have been reviewed by the Audit Committee. The Audit Committee comprises three members namely Ms. Huang Qin (Chairman), Mr. Zhang Jinfan and Mr. Huang Shuanggang. Ms. Huang Qin and Mr. Zhang Jinfan are both independent non-executive Directors, and Mr. Huang Shuanggang is a non-executive Director.

## **REMUNERATION COMMITTEE**

The Remuneration Committee has been set up with written terms of reference in accordance with the requirements of the Listing Rules. The Remuneration Committee comprises three independent non-executive Directors namely, Mr. Zhang Jinfan (Chairman), Ms. Huang Qin and Mr. Guo Yaoli.

## **NOMINATION COMMITTEE**

The Nomination Committee has been set up with written term of reference in accordance with the requirements of the Listing Rules. The Nomination Committee comprises three independent non-executive Directors namely, Mr. Guo Yaoli (Chairman), Mr. Zhang Jinfan and Ms. Huang Qin.

## **EVENTS SUBSEQUENT TO THE REPORTING PERIOD**

The Group is not aware of any significant events which could have a material impact on its operating and financial performance after the Reporting Period.

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintain high standard of corporate governance standards and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency. The Company has complied with the code provisions contained in the Corporate Governance Code as set out in Appendix C1 of the Listing Rules during the Reporting Period.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as a code of conduct of the Company for Directors’ securities transactions. Having made specific enquiry with all Directors, each of the Directors confirmed that he/she has complied with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions throughout the Reporting Period.

## **ANNUAL GENERAL MEETING**

The annual general meeting of the Company (the “**AGM**”) will be held on 9 June 2026 in Hong Kong. A notice convening the AGM will be published and despatched to the shareholders of the Company in the manner required by the Listing Rules in due course.

## **CLOSURE OF REGISTER**

The register of members of the Company will be closed from Thursday, 4 June 2026 to Tuesday, 9 June 2026, both days inclusive, during which period no transfer of ordinary shares will be registered. In order to determine the identity of ordinary shareholder(s) who is entitled to attend and vote at the AGM, all transfers documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 3 June 2026.

## **SCOPE OF WORK OF BEIJING XINGHUA CAPLEGEND CPA LIMITED ON THIS PRELIMINARY ANNOUNCEMENT**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Beijing Xinghua Caplegend CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Beijing Xinghua Caplegend CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Beijing Xinghua Caplegend CPA Limited on the preliminary announcement.

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the websites of the Company (<https://shengyuanhk.com>) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The annual report for the year ended 31 December 2025 of the Company containing all information required by the Listing Rules will be available on the above websites in due course.

By order of the Board  
**Sheng Yuan Holdings Limited**  
**Zhou Quan**  
*Chairman & Non-Executive Director*

Hong Kong, 31 March 2026

*As at the date of this announcement, the Board consists of Ms. Li Hongli and Mr. Zhao Yun (both being executive Directors), Mr. Huang Shuanggang and Mr. Zhou Quan (both being non-executive Directors), Mr. Zhang Jinfan, Ms. Huang Qin and Mr. Guo Yaoli (all being independent non-executive Directors).*