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WINFULL GROUP HOLDINGS LIMITED

宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2026

FINAL RESULTS

The board of directors (the “Director(s)”) (the “Board”) of Winfull Group Holdings Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 30 June 2026 (the “Year”), together with the comparative figures for the year ended 30 June 2025:

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2026

		2026	2025
	Notes	HK\$'000	HK\$'000
Revenue	4	82,189	44,423
Other income	5	14,391	16,020
Cost of properties held for trading sold		(49,222)	(11,602)
Write-down of properties held for trading		–	(5,150)
Employee costs		(16,913)	(18,854)
Exchange gain, net		221	7,607
Depreciation of property, plant and equipment		(4,722)	(3,939)
Professional and consulting fees		(10,420)	(4,060)
Property management fees		(4,012)	(3,944)
Other expenses		(11,284)	(11,088)
Fair value loss on investment properties		(46,857)	(67,638)
Fair value loss on equity instruments at fair value through profit or loss (“FVTPL”)		–	(1)
Fair value loss on financial instruments at FVTPL		(42,303)	(5,746)
Gain/(Loss) on disposal of debt instruments at fair value through other comprehensive income (“FVOCI”)		3,977	(393)
Loss allowance reversed on debt instruments at FVOCI		263	136
Loss allowance reversed/(recognised) on loan and interest receivables		652	(630)
Impairment loss of property, plant and equipment		(2,841)	(5,025)
Gain on disposal of property, plant and equipment		–	133
Loss on disposal of investment properties		(1,432)	–
Gain/(Loss) on disposal of intangible assets		380	(374)
Finance costs		(8,725)	(8,932)
Loss before income tax	6	(96,658)	(79,057)
Income tax credit	7	11,373	12,317
Loss for the year		(85,285)	(66,740)
Loss for the year attributable to:			
Owners of the Company		(85,095)	(66,562)
Non-controlling interests		(190)	(178)
		(85,285)	(66,740)
Loss per share	9		
– Basic		HK(15.01) cents	HK(11.74) cents
– Diluted		HK(15.01) cents	HK(11.74) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Loss for the year		(85,285)	(66,740)
Other comprehensive income for the year			
<i>Item that will not be reclassified to profit or loss:</i>			
Changes in fair value of equity instruments at FVOCI	10	8,850	5,191
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Changes in fair value of debt instruments at FVOCI	10	1,781	(1,779)
Release of FVOCI reserve upon disposal of debt instruments at FVOCI		(3,977)	393
Loss allowance reversed on debt instruments at FVOCI		(263)	(136)
Exchange differences arising on translation of foreign operations		(3,974)	2,922
Exchange differences on financial assets at FVOCI		(59)	814
Other comprehensive income for the year, net of tax		2,358	7,405
Total comprehensive income for the year		(82,927)	(59,335)
Total comprehensive income for the year attributable to:			
Owners of the Company		(82,737)	(59,157)
Non-controlling interests		(190)	(178)
		(82,927)	(59,335)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	<i>Notes</i>	2026 HK\$'000	2025 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		97,317	99,019
Investment properties		493,122	613,426
Intangible assets		447	760
Prepayments		3,556	–
Loan and interest receivables		36,061	32,628
Equity instruments at FVOCI	10	56,625	49,870
Financial instruments at FVTPL	10	403,269	448,238
Debt instruments at FVOCI	10	56,899	54,900
		1,147,296	1,298,841
Current assets			
Properties held for trading		–	49,137
Trade receivables	11	2,548	2,922
Loan and interest receivables		13,159	3,713
Prepayments, deposits and other receivables		9,843	5,991
Debt instruments at FVOCI	10	39	36,137
Equity instruments at FVTPL		–	15
Cash and bank balances		189,777	144,141
Pledged bank deposits		129,454	144,196
		344,820	386,252
Assets classified as held for sale		57,124	–
		401,944	386,252
Current liabilities			
Accrued expenses, other payables and deposits received		8,269	7,253
Borrowings		291,787	330,390
Amount due to non-controlling shareholder		28	2,521
Current tax liabilities		375	10,743
		300,459	350,907
Liabilities associated with assets classified as held for sale		69	–
		300,528	350,907
Net current assets		101,416	35,345
Total assets less current liabilities		1,248,712	1,334,186

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Non-current liabilities		
Deposits received	1,633	3,106
Deferred tax liabilities	3,389	4,463
	<u>5,022</u>	<u>7,569</u>
Net assets	<u>1,243,690</u>	<u>1,326,617</u>
EQUITY		
Share capital	56,691	56,691
Reserves	1,188,006	1,270,743
	<u>1,244,697</u>	<u>1,327,434</u>
Equity attributable to owners of the Company	1,244,697	1,327,434
Non-controlling interests	(1,007)	(817)
	<u>1,243,690</u>	<u>1,326,617</u>
Total equity	1,243,690	1,326,617

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Equity attributable to owners of the Company								Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Share-based payment reserve HK\$'000	FVOCI reserve HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000		
At 1 July 2024	56,691	1,572,570	1,460	11,202	(7,872)	1,121	(248,618)	1,386,554	(639)	1,385,915
Transfer upon lapse of share options	-	-	-	(2,608)	-	-	2,608	-	-	-
Equity-settled share-based payment expense	-	-	-	37	-	-	-	37	-	37
Transactions with owners	-	-	-	(2,571)	-	-	2,608	37	-	37
Loss for the year	-	-	-	-	-	-	(66,562)	(66,562)	(178)	(66,740)
Other comprehensive income:										
Changes in fair value of equity instruments at FVOCI (Note 10)	-	-	-	-	5,191	-	-	5,191	-	5,191
Changes in fair value of debt instruments at FVOCI (Note 10)	-	-	-	-	(1,779)	-	-	(1,779)	-	(1,779)
Release of FVOCI reserve upon disposals of debt instruments at FVOCI	-	-	-	-	393	-	-	393	-	393
Loss allowance recognised on debt instruments at FVOCI	-	-	-	-	(136)	-	-	(136)	-	(136)
Exchange differences arising on translation of foreign operations	-	-	2,922	-	-	-	-	2,922	-	2,922
Exchange differences on financial assets at FVOCI	-	-	-	-	814	-	-	814	-	814
Total comprehensive income for the year	-	-	2,922	-	4,483	-	(66,562)	(59,157)	(178)	(59,335)
At 30 June 2025	56,691	1,572,570	4,382	8,631	(3,389)	1,121	(312,572)	1,327,434	(817)	1,326,617

	Equity attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Share-based payment reserve HK\$'000	FVOCI reserve HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 July 2025	56,691	1,572,570	4,382	8,631	(3,389)	1,121	(312,572)	1,327,434	(817)	1,326,617
Transfer upon lapse of share options	-	-	-	(5,465)	-	-	5,465	-	-	-
Transactions with owners	-	-	-	(5,465)	-	-	5,465	-	-	-
Loss for the year	-	-	-	-	-	-	(85,095)	(85,095)	(190)	(85,285)
Other comprehensive income:										
Changes in fair value of equity instruments at FVOCI (<i>Note 10</i>)	-	-	-	-	8,850	-	-	8,850	-	8,850
Changes in fair value of debts instruments at FVOCI (<i>Note 10</i>)	-	-	-	-	1,781	-	-	1,781	-	1,781
Release of FVOCI reserve upon disposals of debts instruments at FVOCI	-	-	-	-	(3,977)	-	-	(3,977)	-	(3,977)
Release of FVOCI reserve upon disposals of equity instruments at FVOCI	-	-	-	-	3,618	-	(3,618)	-	-	-
Loss allowance reversed on debt instruments at FVOCI	-	-	-	-	(263)	-	-	(263)	-	(263)
Exchange differences arising on translation of foreign operations	-	-	(3,974)	-	-	-	-	(3,974)	-	(3,974)
Exchange differences on financial assets at FVOCI	-	-	-	-	(59)	-	-	(59)	-	(59)
Total comprehensive income for the year	-	-	(3,974)	-	9,950	-	(88,713)	(82,737)	(190)	(82,927)
At 30 June 2026	56,691	1,572,570	408	3,166	6,561	1,121	(395,820)	1,244,697	(1,007)	1,243,690

Other reserve represents the difference between the changes in proportionate share of the carrying amount of its subsidiaries' net assets or liabilities and the consideration paid or received for the changes of certain interests in subsidiaries that does not result in a loss of control.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

1. GENERAL INFORMATION

Winfull Group Holdings Limited (the “Company”) is an exempted company with limited liability under the Companies Law (2001 Second Revision) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit A, 6/F, 9 Queen’s Road Central, Hong Kong. The Company’s issued shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 2 December 2010.

The principal activity of the Company is investment holding. During the year, the Group was principally engaged in the investment, trading and development of property and securities investment and trading. There were no significant changes in the Group’s operation during the year.

The directors consider that its ultimate holding company is Virtue Partner Group Limited, a company incorporated in the British Virgin Islands (the “BVI”).

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards which collective term includes Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The consolidated financial statements also include the applicable disclosure required by the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (“HK\$’000”) unless otherwise stated.

2. CHANGES IN ACCOUNTING POLICIES

2.1 New standards, interpretations and amendments – effective 1 July 2025

In the current year, the Group has applied for the first time the following amendments issued by the HKICPA, which are effective for the Group's consolidated financial statements for the annual period beginning on 1 July 2025:

Amendments to HKAS 21 and HKFRS 1 Lack of Exchangeability

2.2 New standards, interpretations and amendments that have been issued but are not yet effective

At the date of authorisation of these consolidated financial statements, certain new and amendments to standards have been published but are not yet effective, and have not been adopted early by the Group. The directors of the Company anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new and amendments to standards that are expected to have impact on the Group's accounting policies is provided below. Certain new standards and amendments have been issued but are not expected to have a material impact on the Group's consolidated financial statements.

Amendments to HKFRS 9 and
HKFRS 7

Amendments to HKFRS 9 and
HKFRS 7

Amendments to HKFRS 1, HKFRS 7,
HKFRS 9, HKFRS 10 and HKAS 7
HKFRS 18

HKFRS 19

Amendments to HKFRS 19

Amendments to Hong Kong
Interpretation 5

Amendments to HKFRS 10 and
HKAS 28

Amendments to the Classification and Measurement of
Financial Instruments¹

Contracts Referencing Nature-dependent Electricity¹

Annual Improvements to HKFRS Accounting Standards
– Volume II¹

Presentation and Disclosure in Financial Statements²

Subsidiaries without Public Accountability: Disclosures²

Subsidiaries without Public Accountability: Disclosures²

Presentation of Financial Statements – Classification by
Borrower of a Term Loan that Contain a Repayment
on Demand Clause²

Sale or Contribution of Assets between an Investor and
its Associate or Joint Venture³

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

² Effective for annual periods beginning on or after 1 January 2027.

³ Effective for annual periods beginning on or after a date to be determined.

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace HKAS 1 Presentation of Financial Statements. The new HKFRS Accounting Standard introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have material impact on the financial performance and financial position the Group but is expected to affect the presentation and disclosures in the future financial statements.

Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

The amendments clarify that a financial liability is derecognised on the settlement date and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. It also clarifies the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Group is currently assessing the impact of these amendments.

Except as disclosed above, the Group does not anticipate that the application of the new and amendments to standards in the future will have an impact on the Group's financial performance and financial position.

3. SEGMENT INFORMATION

The executive directors have identified the Group's four (2025: four) product and service lines as operating segments. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

There was no inter-segment sale and transfer during the year (2025: Nil).

	Property Development Business HK\$'000	Property Investment and Trading Business HK\$'000	2026 Security Investment and Trading Business HK\$'000	Loan Financing Business HK\$'000	Total HK\$'000
Reportable segment revenue:					
From external customers	10,850	60,810	5,337	5,192	82,189
Reportable segment (loss)/profit	(1,017)	(32,994)	(47,493)	5,828	(75,676)
Bank interest income	11	58	11,674	–	11,743
Fair value loss on investment properties	–	(46,857)	–	–	(46,857)
Fair value loss of financial instruments at FVTPL	–	–	(42,303)	–	(42,303)
Loss allowance reversed on debt instruments at FVOCI	–	–	263	–	263
Loss allowance reversed on loan and interest receivables	–	–	–	652	652
Impairment loss of property, plant and equipment	–	(2,841)	–	–	(2,841)
Income tax credit	10,253	1,120	–	–	11,373
Reportable segment assets	311	580,002	524,265	49,298	1,153,876
Additions to non-current assets	–	294	–	–	294
Reportable segment liabilities	177	11,993	1,000	13	13,183
			2025		
	Property Development Business HK\$'000	Property Investment and Trading Business HK\$'000	Security Investment and Trading Business HK\$'000	Loan Financing Business HK\$'000	Total HK\$'000
Reportable segment revenue:					
From external customers	11,593	22,607	5,286	4,937	44,423
Reportable segment (loss)/profit	(1,166)	(55,640)	(8,855)	4,288	(61,373)
Fair value loss on investment properties	–	(67,638)	–	–	(67,638)
Fair value loss of equity instruments at FVTPL	–	–	(1)	–	(1)
Fair value loss of financial instruments at FVTPL	–	–	(5,746)	–	(5,746)
Write-down of properties held for trading	(763)	(4,387)	–	–	(5,150)
Loss allowance reversed on debt instruments at FVOCI	–	–	136	–	136
Loss allowance recognised on loan and interest receivables	–	–	–	(630)	(630)
Income tax credit/(expense)	13,661	(1,344)	–	–	12,317
Reportable segment assets	14,642	662,247	602,035	36,434	1,315,358
Additions to non-current assets	–	–	758	–	758
Reportable segment liabilities	10,508	13,679	801	13	25,001

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

	2026 HK\$'000	2025 HK\$'000
Revenue		
Reportable segment revenue	82,189	44,423
Consolidated revenue	82,189	44,423
Loss before income tax		
Reportable segment loss	(75,676)	(61,373)
Bank interest income	11,743	13,168
Exchange gain, net	221	7,607
Depreciation	(4,722)	(3,939)
Impairment loss of property, plant and equipment	(2,841)	(5,025)
Corporate employee costs	(16,913)	(18,854)
Corporate professional and consulting fees	(1,754)	(2,368)
Interest for bank borrowings	(8,725)	(8,932)
Unallocated corporate income	2,132	727
Unallocated corporate expenses	(123)	(68)
Consolidated loss before income tax	(96,658)	(79,057)
Assets		
Reportable segment assets	1,153,876	1,315,358
Property, plant and equipment	97,317	99,019
Corporate pledged bank deposits	129,454	144,196
Corporate time deposits	166,232	126,512
Other corporate assets	2,361	8
Consolidated total assets	1,549,240	1,685,093
Liabilities		
Reportable segment liabilities	13,183	25,001
Corporate bank borrowings	291,787	330,390
Other corporate liabilities	580	3,085
Consolidated total liabilities	305,550	358,476

The Group's reportable segment revenue from external customers and its non-current assets (excluding financial assets) are divided into the following geographical areas:

	Revenue from external customers		Non-current assets	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Hong Kong	62,397	25,489	513,620	618,179
UK	16,112	15,749	54,978	57,134
Japan	3,680	3,185	25,844	37,892
	82,189	44,423	594,442	713,205

Geographical location of customers is based on the location at which the services were provided and the goods were delivered. Geographical location of non-current assets is based on (i) the physical location of the assets (for property, plant and equipment and investment properties); and (ii) location of asset management (for intangible assets).

During the year ended 30 June 2026, there was neither revenue from external customers attributable to the Cayman Islands (domicile) (2025: Nil) nor non-current assets were located in the Cayman Islands (2025: Nil). The country of domicile is the country where the Company is incorporated. During the year ended 30 June 2026, there was no customer contributing 10% or more of the total revenue of the Group.

	Property Development Business		Property Investment and Trading Business		Security Investment and Trading Business		Loan Financing Business		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers recognised at a point in time										
– Sale of properties held for trading	10,850	11,593	38,000	–	–	–	–	–	48,850	11,593
Revenue from leasing	–	–	22,810	22,607	–	–	–	–	22,810	22,607
Revenue from other sources	–	–	–	–	5,337	5,286	5,192	4,937	10,529	10,223
	<u>10,850</u>	<u>11,593</u>	<u>60,810</u>	<u>22,607</u>	<u>5,337</u>	<u>5,286</u>	<u>5,192</u>	<u>4,937</u>	<u>82,189</u>	<u>44,423</u>

4. REVENUE

The Group's principal activities are disclosed in Note 1. Revenue from the Group's principal activities are recognised as follows:

	2026 HK\$'000	2025 HK\$'000
Revenue from contracts with customers		
– Sale of properties held for trading	48,850	11,593
Revenue from leasing		
– Rental income from investment properties	22,810	22,607
Revenue from other sources		
– Dividend income from securities	1,367	839
– Interest income from securities	3,970	4,447
– Interest income from loan financing	5,192	4,937
	<u>82,189</u>	<u>44,423</u>

5. OTHER INCOME

	2026 HK\$'000	2025 HK\$'000
Bank interest income	11,743	13,168
Rental income from properties held for trading	516	2,125
Waiver of amount due to non-controlling shareholder	1,038	–
Sundry income	1,094	727
	<u>14,391</u>	<u>16,020</u>

6. LOSS BEFORE INCOME TAX

	2026 HK\$'000	2025 HK\$'000
Loss before income tax is arrived at after charging the following:		
Auditor's remuneration	650	620
Depreciation of property, plant and equipment		
– owned assets	2,863	1,964
– right-of-use assets included within leasehold properties	1,859	1,975
	<u>4,722</u>	<u>3,939</u>
Direct operating expenses arising from investment properties that		
– generated rental income	4,989	5,543
– did not generate rental income	453	450
	<u>4,989</u>	<u>5,543</u>

7. INCOME TAX CREDIT

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying group entities in Hong Kong are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%. Profits of group entities in Hong Kong that are not qualifying for the two-tiered profits tax rate regime continue to be taxed at a flat rate of 16.5%.

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

Income tax (credit)/expense in the consolidated income statement is as follows:

	2026 HK\$'000	2025 HK\$'000
Current tax – Hong Kong		
Over-provision in respect of prior years	(10,678)	(13,661)
Current tax – Overseas		
Provision for the year	379	471
Deferred tax	(1,074)	873
Total income tax credit	<u>(11,373)</u>	<u>(12,317)</u>

8. DIVIDENDS

For the years ended 30 June 2026 and 2025, the directors do not recommend the payment of a dividend.

9. LOSS PER SHARE

Calculation of basic and diluted loss per share is based on the following data:

	2026 HK\$'000	2025 HK\$'000
Loss for year attributable to owners of the Company	<u>(85,095)</u>	<u>(66,562)</u>
	Number of shares	
	2026 '000	2025 '000
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>566,913</u>	<u>566,913</u>

The computation of diluted loss per share for the years ended 30 June 2026 and 2025 does not include the share options as the assumed exercise of these share options has an anti-dilutive effect.

10. OTHER FINANCIAL ASSETS

	Measured at FVOCI (Note)		Measured at FVTPL	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Non-current				
Equity instruments				
– Listed in Hong Kong*	1,135	2,026	–	–
– Listed outside Hong Kong*	<u>55,490</u>	<u>47,844</u>	<u>–</u>	<u>–</u>
	<u>56,625</u>	<u>49,870</u>	<u>–</u>	<u>–</u>
Financial instruments				
– Unlisted investments [#]	<u>–</u>	<u>–</u>	<u>403,269</u>	<u>448,238</u>
	<u>–</u>	<u>–</u>	<u>403,269</u>	<u>448,238</u>
Debt instruments				
– Listed in Hong Kong*	<u>56,899</u>	<u>54,900</u>	<u>–</u>	<u>–</u>
	<u>56,899</u>	<u>54,900</u>	<u>–</u>	<u>–</u>
	<u>113,524</u>	<u>104,770</u>	<u>403,269</u>	<u>448,238</u>
Current				
Equity instruments				
– Listed outside Hong Kong*	<u>–</u>	<u>–</u>	<u>–</u>	<u>15</u>
	<u>–</u>	<u>–</u>	<u>–</u>	<u>15</u>
Debt instruments				
– Listed in Hong Kong*	<u>39</u>	<u>36,137</u>	<u>–</u>	<u>–</u>
	<u>39</u>	<u>36,137</u>	<u>–</u>	<u>–</u>
	<u>39</u>	<u>36,137</u>	<u>–</u>	<u>15</u>

- * These financial assets are measured at fair value which has been determined directly by reference to published prices and quotations in active markets (2025: same).
- # Among these financial assets, an amount of HK\$228,389,000 (2025: HK\$227,688,000) is measured at fair value which has been determined directly by reference to published price and quotations in markets that are not active and an amount of HK\$174,880,000 (2025: HK\$220,550,000) is measured at fair value which has been determined by reference to the fair values of the underlying assets and liabilities of each instrument, respectively (2025: same).

Note:

These equity instruments were irrevocably designated at FVOCI as the directors of the Company consider these investments to be strategic in nature.

Movements in other financial assets are summarised as follows:

	Equity instruments at FVOCI		Debt instruments at FVOCI		Equity instruments at FVTPL		Financial instruments at FVTPL	
	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount at beginning of the year	49,870	43,865	91,037	85,112	15	16	448,238	364,215
Additions	3,745	–	6,011	38,914	–	–	28,565	101,442
Disposals	(5,645)	–	(42,027)	(32,041)	(14)	–	(31,074)	(20,772)
Changes in fair value charged to profit or loss	–	–	–	–	–	(1)	(42,303)	(5,746)
Changes in fair value credited/(charged) to other comprehensive income	8,850	5,191	1,781	(1,779)	–	–	–	–
Exchange difference	(195)	814	136	831	(1)	–	(157)	9,099
Carrying amount at end of the year	<u>56,625</u>	<u>49,870</u>	<u>56,938</u>	<u>91,037</u>	<u>–</u>	<u>15</u>	<u>403,269</u>	<u>448,238</u>

At 30 June 2026 and 2025, debt instruments measured at FVOCI were determined to be impaired when debt instruments are expected to be irrecoverable.

11. TRADE RECEIVABLES

The Group generally allows a credit period of 1 month (2025: 1 month) to its trade customers.

Based on the invoice dates, all trade receivables as at 30 June 2026 and 2025 were aged within 90 days.

All trade receivables are subject to credit risk exposure. Loss allowance on trade receivables is recognised based on the accounting policy for the years ended 30 June 2026 and 2025.

Based on the due dates, no trade receivables as at 30 June 2026 and 2025 were past due nor credit-impaired.

At 30 June 2026 and 2025, there was no amount denominated in a currency other than the functional currency of the entity to which they relate.

Receivables that were neither past due nor credit-impaired were due from customers for whom there was no recent history of default.

The directors of the Company consider that the fair values of trade receivables are not materially different from their carrying amounts because these amounts have short maturity periods at their inception.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is principally engaged in investment, trading and development of properties and securities investment and trading.

During the Year, the Group's property development business culminated in the successful completion and 100% sell-out of all 14 residential units at the UK Property Project in Birmingham, with the legal completion of the final apartment concluded on 24 April 2026. Following the completed disposals of trading properties at Lime Stardom in October 2025 and the Skye Niseko serviced apartment in March 2026, the Group holds nine traditional investment properties (comprising eight commercial and industrial properties located in Hong Kong and the UK, and one luxury serviced apartment at Park Hyatt Niseko in Japan). On 15 July 2026, the Group entered into a provisional sale and purchase agreement to dispose of the commercial office units and carpark at Universal Trade Centre, Central, for an aggregate consideration of HK\$31,500,000, with completion scheduled on or before 28 October 2026. On 28 September 2026, the Group also entered into a provisional sale and purchase agreement to dispose of all the shares and debts of an indirectly wholly-owned subsidiary of the Company which owned the front portion of roof of the Sea View Estate in North Point and the advertising signage for an aggregate consideration of HK\$26,000,000, with completion scheduled on or before 16 November 2026.

The global economy remained broadly resilient through the first half of 2026. Accelerated momentum across the global technology cycle, spearheaded by advancements in AI, propelled investments, cross-border trade flows, and economic growth across major economies. The Mainland economy registered steady growth with robust export performance, while advanced economies grew moderately.

However, external headwinds and downside risks persist. The ongoing conflict in the Middle East continues to create supply-side friction, causing elevated international crude oil and gasoil prices, which have amplified global inflationary pressures. Consequently, market expectations surrounding the monetary policy trajectories of major central banks have shifted toward a tighter stance, increasing the likelihood of interest rates remaining higher for longer to curb energy-driven inflation. Rising trade protectionism among advanced economies also warrants ongoing surveillance.

The Hong Kong economy expanded robustly in the first half of 2026, recording real GDP growth of 5.1% year-on-year (growing by 4.3% in the second quarter following 5.9% in the preceding quarter), marking its strongest half-yearly performance in nearly five years. Growth was underpinned by buoyant external trade, resilient domestic consumption, stable labour market and moderate inflation.

The local residential property market entered a solid recovery phase in the first half of 2026. Market sentiment improved noticeably amid buoyant primary market rollouts and active secondary market trading. The total number of residential sale and purchase agreements received by the Land Registry reached 22,156 in the second quarter of 2026, a 14-year quarterly high, up 32% year-on-year. Overall residential flat prices rose by 3% in the second quarter, accumulating an 8% gain for the first half of 2026 (up 13% year-on-year as of June 2026). Overall residential rentals continued to firm, rising 2% in the second quarter, while average residential rental yields held steady at 3.0% in June 2026. The total estimated supply of first-

hand private residential flats in the coming three to four years moderated to approximately 96,000 units as at end-June 2026 (down by 5,000 units from end-March 2026), reflecting strong market absorption across new project launches.

In contrast to the residential sector, the commercial and industrial property market remained sluggish and continued to undergo downward adjustments during the Year. Cautious corporate leasing sentiment and cost-containment measures continued to weigh on office and retail space demand. Prices and rentals of commercial office space softened further. The eight-quarter moving average of office rentals fell by 3.6% in the second quarter of 2026. Grade A and Grade B office capital values remained susceptible to economic uncertainties and high vacancy rates across decentralized submarkets. Retail shop rentals also experienced ongoing softening, with the eight-quarter moving average of retail shop rentals declining by 4.8% in the second quarter of 2026. Trading activity for flatted factory units remained generally subdued.

The marked structural divergence between the recovering residential market and the subdued commercial property sector strongly validates the Group's proactive "Exit and Enhance" strategy. The Group is intentionally divesting non-performing, vacant, or low-yielding commercial properties (such as the Universal Trade Centre office units and carpark) to eliminate downside valuation exposure and unlock tied-up equity. Capital recycled from non-core sales is being redeployed into the BHU platform, where the Group has acquired nine initial properties and plans to commit approximately HK\$100,000,000 to build a 20-to-40 property portfolio targeting attractive unleveraged yields of 7% to 10%. Also, capitalizing on higher interest rate environments by allocating surplus cash into loan financing (generating recurring yields of 8% to 22.5% p.a.) and structured private equity real estate funds provides high capital efficiency, inflation protection, and downside insulation.

BUSINESS OVERVIEW

Property Investment and Trading Business

Nature of the Property Investment and Trading Business

As at 30 June 2026, the Group held various commercial and industrial properties primarily in Hong Kong for investment and trading purposes, along with one commercial property in Cardiff, the UK, and one serviced apartment in Hokkaido, Japan, for investment purpose (the "Properties"). During the Year, the Group recorded total rental income from the Property Investment and Trading Business of approximately HK\$23,326,000 (2025: approximately HK\$24,732,000). The Group also actively pursued its capital recycling strategy during the Year and up to the date of this announcement:

1. Lime Stardom, Tai Kok Tsui: Completed the disposal of properties held for trading (two retail shops and two signages) for a consideration of approximately HK\$38,000,000 in October 2025.
2. Skye Niseko, Japan: Completed the disposal of the serviced apartment in March 2026 for a consideration of approximately JPY280,000,000 (equivalent to approximately HK\$14,140,000). Further details of this transaction can be referred to the Company's announcement on 4 February 2026.

3. Universal Trade Centre, Central: Entered into a provisional sale and purchase agreement on 15 July 2026 to dispose of three office units located on 30th floor and car parking space for an aggregate consideration of approximately HK\$31,500,000. Completion is scheduled on or before 28 October 2026. Further details of this transaction can be referred to the Company's announcement and circular on 15 July 2026 and 24 August 2026, respectively.
4. Advertising signage situated at the front portion of the roof of Sea View Estate in North Point: Entered into a provisional sale and purchase agreement on 28 September to dispose all the shares and debt of an indirectly wholly-owned subsidiary of the Company which owned the front portion of the roof and the advertising signage for an aggregate consideration of approximately HK\$26,000,000. Completion is scheduled on or before 16 November 2026. Further details of this transaction can be referred to the Company's announcement on 28 September.

During the Year, the Group recorded a fair value loss of investment properties of approximately HK\$46,857,000 (2025: approximately HK\$67,638,000). The fair value loss on investment properties is mainly due to the fair value loss on the commercial office properties at 9 Queen's Road Central, Far East Consortium Building and Universal Trade Centre.

A summary of the Properties is as follows:

No.	Investment Properties	Description	Occupancy rate as at 30 June 2026
(1)	6/F, 9 Queen's Road Central	Commercial property with gross floor area of approximately 13,700 square feet. A portion of the property is currently used by the Group for its own office, while the remaining portion has been rented out to various independent third parties for rental income. (Note i)	For self-use: not applicable For leasing: 100%
(2)	Grand Scholar, No. 419K Queen's Road West, Hong Kong	Commercial property consisting of two retail shops of a total gross floor area of approximately 10,300 square feet.	100%
(3)	4/F, Kenning Industrial Building at 19 Wang Hoi Road, Kowloon Bay, Hong Kong	Industrial property in close proximity to the Kowloon Bay MTR station, of a total gross floor area of approximately 16,500 square feet and comprising three units, out of which 2 units of total gross floor area of approximately 10,700 square feet have been leased as at 30 June 2026.	~65%
(4)	Atlantic House in Cardiff, United Kingdom ("UK")	Office property of a total net floor area of approximately 41,000 square feet and consists of two office buildings. The east wing is currently leased to a local law firm for an extended term of twenty years expiry in 2031. The refurbishment of west wing completed and is designed for multi-let purpose, out of which approximately 40% of the floor area has been leased out as at 30 June 2026.	~68% (for both east and west wing)

No.	Investment Properties	Description	Occupancy rate as at 30 June 2026
(5)	Office units on 30th Floor and carpark space of Universal Trade Centre, 3 Arbuthnot Road, Hong Kong	Office property of a total gross floor area of approximately 4,100 square feet, comprising of the three office units which are now looking for new tenant and the car parking space currently leased out. As mentioned above, the Group signed a provisional sales and purchase agreement on 15 July 2026 for disposal of this property and the car parking space. The disposal will be completed on or before 28 October 2026. Further details of this transaction can be referred to the Company's announcement and circular on 15 July 2026 and 24 August 2026, respectively. (Note ii)	Office: Seeking tenants Car parking space: 100%
(6)	Office unit of Arion Commercial Centre at 2–12 Queen's Road West, Hong Kong	Office property of a gross floor area of approximately 1,650 square feet, which has been leased to a translation company wholly-owned by Mr. Pong Wilson Wai San ("Mr. Pong"), with monthly rent of HK\$38,800. The rent was determined after arm's length negotiation with reference to the monthly rental of other similar premises in the Hong Kong market and the professional valuation report. Further details of this transaction can be referred to the Company's announcement on 11 June 2025.	100%
(7)	Whole office floor on 15th Floor of Far East Consortium Building at 121 Des Voeux Road Central, Hong Kong	Office building with a gross floor area of approximately 7,300 square feet. This property has been leased to a financial printing company wholly-owned by Mr. Pong, with monthly rent of HK\$200,000. The rent was determined after arm's length negotiation with reference to the monthly rental of other similar premises in the Hong Kong market and the professional valuation report. Further details of this transaction can be referred to the Company's announcement on 11 September 2026. (Note ii)	100%
(8)	Roof of Block C of Sea View Estate, North Point, Hong Kong	Advertising signage situate at the front portion of the roof of Sea View Estate in North Point, which is facing the South of Victoria Harbour in Hong Kong Island.	100%

No.	Investment Properties	Description	Occupancy rate as at 30 June 2026
		As mentioned above, the Group signed a provisional sale and purchase agreement on 28 September 2026 for disposal of all the shares and debts of an indirectly wholly-owned subsidiary of the Company which owned this property. The disposal will be completed on or before 16 November 2026. Further details of this transaction can be referred to the Company's announcement on 28 September 2026.	
(9)	One Serviced Apartment in Niseko, Hokkaido, Japan	Serviced apartment located in Park Hyatt Niseko at Hanazono, respectively, with ski-in ski-out access to ski resorts and full range of hotel services. It is professionally managed by premier asset managers with expertise and experience in effectively managing hospitality and tourism in Niseko.	Occupancy rate during the year ended 30 June 2026: ~38%
		On 4 February 2026, a sale and purchase agreement was entered into for the disposal of a serviced apartment in Skye Niseko at Upper Hirafu Village to an independent third party. The transaction was completed on 31 March 2026. For details of the transaction, please refer to the Company's announcement dated 4 February 2026.	

Notes:

- (i) As at 30 June 2026, a fair value loss for this investment property of approximately HK\$14,583,000 (2025: approximately HK\$13,000,000) and a write-down of leasehold properties of approximately HK\$2,841,000 (2025: approximately HK\$5,025,000) have been recognised. The property is valued by market approach, where the comparison based on prices realised on the actual sales of comparable properties is made. The valuation methodologies of the property are the same as that of previous years. In a mature and transparent market like Hong Kong with a high degree of information flow, the market approach is deemed to be the best and most reliable approach in valuation when the comparable sales evidences are available and sufficient to substantiate the exercise, given the facts that the comparables can reflect the latest market sentiment and conditions as at the valuation date. Grade A office value is relatively more susceptible to economic cycles, with decreasing demand for commercial lease due to the concerns on uncertainties in Hong Kong and global economy. The transaction dates of the comparables adopted in the valuation were all within approximately 12 months from the valuation date as well they are all within a radius of approximately 1 kilometer to the subject property. In this connection, priority should be given to the market approach to ensure the accuracy of the valuation.

- (ii) As at 30 June 2026, a fair value loss for these two investment properties of approximately HK\$13,800,000 for Property (5) and HK\$14,000,000 for Property (7) (2025: approximately HK\$4,400,000 for Property (5) and HK\$18,000,000 for Property (7) have been recognised. The property is valued by market approach also, where the comparison based on prices realised on the actual sales of comparable properties is made. The valuation methodologies of the property are the same as that of previous years. In a mature and transparent market like Hong Kong with a high degree of information flow, the market approach is deemed to be the best and most reliable approach in valuation when the comparable sales evidences are available and sufficient to substantiate the exercise, given the facts that the comparables can reflect the latest market sentiment and conditions as at the valuation date. Similar to Grade A office, Grade B office value is also affected by the concerns on uncertainties in Hong Kong and global economy, which leads to decreasing demand for commercial lease. The transaction dates of the comparables adopted in the valuation were all within approximately 12 months from the valuation date as well they are all within a radius of approximately 1 kilometer to the subject property. In this connection, priority should be given to the market approach to ensure the accuracy of the valuation.

Continuous efforts have been made by the Group to ensure the Properties are in sound condition for leasing and sale. In recent years, the investment property located at Cardiff, the UK has been renovated at a cost of approximately HK\$20,000,000 to enhance its rental value. In addition, the renovation for 6th Floor of 9 Queen's Road Central, Hong Kong and 4th Floor of Kenning Industrial Building, Hong Kong have been completed and repair works have been taken to enhance their respective values for leasing purposes.

Selection criteria and benchmarks of potential properties

The selection criteria of the potential properties are evaluated with reference to their underlying investment rationales, which can be broadly categorized into: (i) income and cash flow generation, (ii) long-term capital appreciation, and (iii) opportunistic trading to capture market dislocations.

In assessing investment opportunities, the Company applies both quantitative and qualitative benchmarks. The Group does not adopt a "one size fits all" approach and the relative emphasis placed on each benchmark may vary depending on the specific investment objective of the relevant investment.

Quantitative benchmarks and criteria

On quantitative evaluation, the Company's investment team assesses whether a potential investment satisfies the quantitative requirements including rental yield, net operating income ("NOI"), capitalisation rate, expected internal rate of return ("IRR"), comparison with yields on alternative investment options (such as bank deposit rates and US Treasury securities yields), and loan-to-value ratio. The relative emphasis placed on each benchmark may vary depending on the specific investment objective of the relevant investment. In general, the Company's investment team assesses whether the potential investment satisfies the quantitative benchmarks by considering whether the estimated capitalisation rate is higher than or comparable to recent market transactions, the estimated stabilised NOI and recurring cash flows are positive, the estimated projected IRR can at least cover the relevant cost of financing and is higher than the yield on relatively low-risk alternatives.

Qualitative factors

The Company's investment team also evaluates qualitative, property-specific factors based on the team's extensive experience and insights into the feasibility and commercial viability of the target property, including but not limited to: (a) location and accessibility; (b) physical attributes and condition (such as age, quality, design and layout); (c) tenancy profile and income stability; (d) zoning, permitted use flexibility, and potential for alternative uses; (e) local amenities and surrounding environment; and (f) prospects of the real estate market (both locally and globally).

All in all, the Board considers that sound investment discipline, including the decision not to proceed with opportunities that do not meet the Group's criteria, is fundamental to protecting shareholder value. Property investment decisions involve commercial judgment developed through decades of management experience, and not all considerations can or should be reduced to mechanical procedures. The Directors consider that this approach ensures that capital is deployed only when opportunities genuinely meet the Group's investment standards.

Investment activities undertaken by the Group

Over the past five years, the Group conducted detailed evaluations on approximately 24 potential properties spanning different development types and geographical areas within Hong Kong, the UK, Japan and Australia. These represent opportunities that passed the Group's preliminary screening criteria and warranted further analysis. The Group continuously monitors the market and reviews numerous opportunities, with only those meeting initial screening progressing to detailed evaluation.

For each of these potential properties, the investment team undertook a structured evaluation process comprising market research and due diligence, internal evaluation and discussion, site visits (where appropriate), valuation analysis, and formal decision-making, which the entire process generally requires one month to two months to complete. This process was applied consistently throughout the period from 2022 to 2026, demonstrating the Group's continuous and disciplined approach to sourcing and assessing investment opportunities. During this year, the management team was also simultaneously overseeing the Group's other business segments, including the Property Development Business and the Securities Investment and Trading Business, further details of which to be discussed below.

Two major market disruptions over the past five years, namely the COVID-19 pandemic and the U.S. interest rate hike cycle, had significantly impacted global real estate markets and investment decision-making.

During the COVID-19 pandemic, global real estate investment volumes declined sharply amid lockdowns and structural shifts in demand patterns. Subsequently, the U.S. Federal Reserve's interest rate hike cycle from 2022 to 2023, representing the fastest tightening cycle in the past 40 years, further disrupted property valuations globally.

In these conditions, the Group prioritized capital preservation and liquidity over aggressive deal-making. This prudent strategy has been vindicated by the subsequent prolonged downward adjustments in both residential and commercial property valuations in Hong Kong and overseas markets from 2020 to early 2025, during which many property developers and investors experienced significant distress.

The Group's plan on the Property Investment and Trading Business

With the pandemic effectively over and interest rate easing commencing in late 2024, the investment environment has become more stable. The Group considers the current business environment is becoming more favourable for identifying viable opportunities.

The Hong Kong residential property sector appears to be stabilising, as evidenced by a rebound in secondary home prices showing signs of recovery from their lows in early 2025. While the Group remains cautious given the ongoing geopolitical uncertainties, it maintains a positive long-term view towards the Hong Kong property market, and believes that Hong Kong remains relevant and vital in its own right and as part of China, given the mature and healthy nature of its investment environment.

During the financial year ended 30 June 2025 and 2026, the Group has been evaluating several residential property opportunities in Hong Kong and Japan (the "Properties Under Consideration"), including residential properties and development projects in Hong Kong (including premium locations such as the Peak and the Mid-Levels) and in Japan. These opportunities span both investment and trading purposes. The investment team applies the Group's established selection criteria, and will only proceed with acquisitions where the quantitative metrics and qualitative factors support a compelling investment case. Opportunities that do not meet the Group's standards, including those with inadequate yields relative to funding costs or unfavourable risk profiles, will not be pursued.

The investment team is proactively assessing the Properties Under Consideration while closely monitoring market developments and potential property investment opportunities across different property types and geographical locations, including residential properties near the Western District of Hong Kong Island, private housing estates near Kowloon Station and private student accommodations and commercial properties in select areas with reasonable yield. While the availability of suitable properties is inherently contingent upon prevailing market supply and the fulfilment of the said quantitative and qualitative criteria, the Company is poised to capitalise on suitable opportunities as they materialise. The focus of the Company's investment team remains inherently dynamic and is determined through ongoing evaluation of market data, sectoral performance, and the resulting implications for capital deployment. The Company has resumed normal implementation of its business model and the business scale on direct property investments is expected to gradually expand over time. The Company's investment team has been meeting with the property teams of investment banks, performing research on areas identified by bankers and property agents, and conducting site inspections of residential properties in Hong Kong from time to time.

Strategic Initiative: Basic Housing Unit ("BHU") Portfolio Expansion

In response to the Hong Kong Government's regulatory framework to reform and standardize subdivided housing into compliant Basic Housing Units ("BHUs"), the Group has formulated a strategic plan to position itself as a quality-focused, institutional provider of compliant, affordable urban living spaces. This initiative aligns with the Group's core strategy to recycle capital from non-core or lower-yielding commercial assets into high-yielding, resilient residential rental platforms with stable recurring cash flows.

As of the date of this announcement, the Group has committed to and acquired nine residential properties across core, high-demand urban districts, comprising Mong Kok, Sham Shui Po, Happy Valley, and Quarry Bay, designated for conversion into certified BHUs.

Target Location/District	No. of Properties	Handover/Vacant Possession	Target Renovation Completion	Target BHU Certification	Income Commencement
Mong Kok & Sham Shui Po	6	Sep 2026 – Jun 2028	Dec 2026 – Sep 2028	Jan 2027 – Oct 2028	Apr 2027 – Jan 2029
Happy Valley & Quarry Bay	3	Aug 2026 – Sep 2027	Jan 2027 – Dec 2027	Jan 2028 – Oct 2028	May 2027 – Apr 2028
Total Pipeline (Initial Phase)	9	Phased (Sep 2026 – Jun 2028)	Phased (Dec 2026 – Sept 2028)	Phased (Jan 2027 – Oct 2028)	Phased (Apr 2027 – Jan 2029)

The execution and leasing roadmap for the initial nine properties is structured as follows:

- **Possession and Handover:** Three properties are scheduled for delivery with vacant possession, while the remaining six properties are currently subject to existing tenancies expiring in phases between October 2026 and June 2028.
- **Refurbishment and Conversion:** Renovation and fitting-out works will be carried out sequentially upon obtaining vacant possession, with completion of refurbishment works across all units anticipated between December 2026 and September 2028.
- **Compliance and Certification:** The Group will engage Authorized Persons and certified contractors to ensure all units strictly comply with statutory fire safety, structural, sanitation, and individual metering requirements, with official BHU certifications targeted for attainment between January 2027 and October 2028.
- **Tenancy Rollout and Rental Generation:** New compliant BHU leases and recurring rental income generation are scheduled to roll out in phases from April 2027 through January 2029.

The Group intends to deploy an initial capital of approximately HK\$80,000,000 to HK\$100,000,000 to scale this platform. This deployment represents an initial operational milestone rather than a rigid cap or definitive limit on the development of the BHU business, allowing the Group to establish a meaningful market presence, achieve operational scale, and validate the platform's financial viability. Based on the Group's actual acquisition track record (with 9 residential units acquired to date), the average total capital outlay per property unit is approximately HK\$3,500,000 to HK\$4,000,000. Accordingly, this initial capital will support the establishment of an operating portfolio of approximately 20 to 25 residential properties, which is expected to yield approximately 80 to 100 compliant BHUs.

Based on current rental benchmarks in the relevant districts measured against total acquisition, renovation, and regulatory compliance costs, the Group targets an unleveraged rental yield of 7% to 10% upon full operation. Upon fully deploying this initial HK\$80,000,000 to HK\$100,000,000 target, the Board will thoroughly review the platform's actual operational performance (including tenant absorption rates, sustained rental yields, and cash flow consistency) to determine the next stage of business development and expansion.

The capital expenditure for this expansion will be funded through the Group's internal financial resources and proceeds from its active capital recycling program, including the net proceeds from the completed disposals of the trading properties at Lime Stardom, the serviced apartment in Skye Niseko, and the provisional disposal of the commercial properties at Universal Trade Centre and at Sea View Estate. To optimize capital efficiency and maintain liquidity, the Group may also consider utilizing bank borrowings secured by the pledge of the acquired BHU properties.

How the Group monitors the Property Investment and Trading Business

The Group monitors the Property Investment and Trading Business through the following key activities:

- (i) **Market Monitoring and Research:** The Group conducts market research continuously to identify emerging trends and opportunities in the real estate sector, and analyses market data to understand and monitor demand, supply, pricing trends, performance of the Properties and potential areas for investment;
- (ii) **Networking and Relationship Building:** The Group maintains relationships with real estate agents, investment bankers, fund managers to gain access to off-market deals, and attends real estate conference, networking events to stay informed on the industry developments and explore new investment opportunities;
- (iii) **Performance Monitoring:** The Group monitors the performance of the Properties by references to the quantitative and qualitative benchmarks, screens potential property projects based on the established criteria, and holds regular meetings with banks, agents and property fund experts to receive project updates, performance metrics and emerging deals for potential properties;
- (iv) **Ongoing Due Diligence:** For Properties and shortlisted potential property projects, the Group regularly reviews the information from the agents and bankers, including project brochure, legal, financial, technical and environmental assessment, evaluates the property's current and projected condition, market performance and potential, zoning regulations, any potential risks associated with each project, and conducts online research to obtain updated or additional information about the project and market comparable (with their market valuation);
- (v) **Site Inspections:** The Group plans and conducts site visits to inspect the Properties and potential properties, assessing the condition, location, surrounding amenities, infrastructure, environment and other factors that may impact investment decisions;
- (vi) **Legal Review and Financial Analysis:** The Group gathers and reviews documentation related to the Properties or potential projects, such as title documents, surveys, permits and lease agreements, etc. The Group also engages legal counsel to review contracts and ensure continued compliance with regulations, and performs financial analysis, including cash flow projections, return on investment, etc. to assess the financial viability of the investment; and
- (vii) **Review and Decision Making:** The Group reviews the findings and recommendations with the directors of the Company (the "Directors") for approval, ensures ongoing compliance with the Listing Rules, and engages lawyers to prepare any relevant legal and compliance documents as required.

Property Development Business

Nature of the Property Development Business

The Group has conducted the Property Development Business for over 15 years, focusing on developing quality residential property development projects by acquiring land reserve and/or urban redevelopment projects in primarily urban areas of Hong Kong and the UK.

During the Year, the Group's property development activities were centered on its residential development project located at School Road, Moseley, Birmingham, the UK (the "UK Property Project"). The UK Property Project has a site area of 15,800 square feet and comprises 14 residential units. The project was undertaken through the Group's non-wholly-owned subsidiary, Moseley No50 Ltd, which is held as to 87.5% by the Group and 12.5% by Long Vere Property Group Limited. To the best of the knowledge and information available to the Company, Long Vere Property Group Limited is a company incorporated in England with limited liability and is a part of a Geneva and London based family office with property, land and technology assets across Europe.

The Group achieved significant operational progress in the monetization and realization of the UK Property Project during the Year. All remaining residential units of the project were successfully sold, with the legal completion of the sale of the final residential apartment taking place on 24 April 2026. Following this completion, all 14 residential units of the UK Property Project have been entirely sold and delivered to independent third-party buyers.

During the Year, revenue recognized from the sales of properties under this segment amounted to approximately HK\$10,850,000 (2025: approximately HK\$11,593,000). The full realization of the project has generated liquidity and capital return to the Group, further solidifying the Group's development track record in overseas residential markets.

Selection criteria and benchmarks of potential properties, activities undertaken by the Group and how the Group monitors the Property Development Business

In relation to the selection criteria and benchmarks of potential properties, activities undertaken by the Group and the continuing monitoring of the Property Development Business, the Group adopts the same approach as the Properties Investment and Trading Business:

- **Quantitative Benchmarks:** The Company's investment team evaluates potential development schemes against projected internal rate of return (IRR), development profit margins, return on equity (ROE), financing costs, projected cash flow timelines, and sensitivity analyses against potential market downturns or construction cost overruns.
- **Qualitative Benchmarks:** The Company's investment team assesses site accessibility, neighborhood demographics, zoning regulations, planning permissions, architectural feasibility, statutory redevelopment thresholds, and environmental considerations.
- **Operational Monitoring:** The Group maintains hands-on project governance through continuous due diligence, ongoing cost and progress monitoring with local project managers, structural engineers, and contractors, alongside regular milestone reporting to the Board.

The Group's plan on the Property Development Business

Following the successful completion, delivery, and full capital realization of the UK Property Project, the Group is actively deploying its development expertise, capital resources, and network to source and evaluate new development opportunities to replenish its property development pipeline. To maintain an active and sustainable property development platform, the Group is undertaking the following proactive measures:

- **Target Project Sourcing:** The Group is focusing on small to medium scale residential developments, urban renewal/redevelopment schemes, and value-add residential conversion projects located primarily in established urban districts of Hong Kong as well as major metropolitan areas in the UK and Japan.
- **Deal Origination and Sourcing Network:** The Group maintains regular dialogue with local land and property owners, estate agencies, property fund managers, and banking institutions to access both on-market and off-market development proposals. The investment team conducts regular site inspections, preliminary planning reviews, and financial modeling on shortlisted target sites.
- **Collaboration and Joint Ventures:** The Group is in preliminary discussions with selected local developers and institutional co-investment partners for potential joint ventures or co-development opportunities. Partnering with established local players enables the Group to diversify development risks, optimize capital allocation, and capture attractive development margins.
- **Disciplined Capital Deployment:** Capital realized from the completion of the UK Property Project, together with proceeds recycled from non-core asset disposals, provides dedicated financial liquidity to execute acquisitions as soon as viable development opportunities that meet the Group's return benchmarks are identified.

The Group remains committed to expanding its property development footprint on a prudent basis, balancing value creation with capital preservation, and will update Shareholders on material project acquisitions as and when appropriate in compliance with the Listing Rules.

Securities Investment and Trading Business

Investment Objectives, Corporate Alignment, and Mandate

The Group maintains a diversified portfolio of securities investments and structured financial instruments to generate steady recurring income, optimize treasury yields, and achieve long-term capital appreciation from its surplus cash resources.

Alignment with Corporate Strategy and Principal Businesses

Rather than engaging in speculative secondary market trading, the Group's securities investments form a strategic extension of its core Property Investment and Development businesses. A substantial portion of the portfolio comprises property-related financial instruments, structured through unlisted private equity funds and co-investment vehicles. The Company's securities and fund investments represent a deliberate, long-term strategic pillar that complements and supports its direct property activities:

- **Indirect International Market Access:** Gaining exposure to prime property markets across mature jurisdictions (including Japan, the United States, the United Kingdom, Germany, Australia, and select Asian markets) where the Group lacks direct operational infrastructure, thereby benefiting from institutional fund managers' local expertise, networks, and execution capabilities.
- **Portfolio Risk Diversification:** Spreading property-related exposure across varied geographical regions, underlying asset types (e.g., student accommodation, industrial/logistics, residential developments, commercial offices, and hospitality), and distinct development life-cycles (core stabilized income, value-add repositioning, and opportunistic development).
- **Downside Protection via Non-Recourse Structuring:** Limiting downside liabilities strictly to committed equity through fund-level non-recourse financing structures, insulating the Group and its Shareholders from unlimited liabilities or obligations to fund property-level debt shortfalls.
- **Deal Origination and Strategic Intelligence:** Building institutional relationships with international asset managers to gain proprietary access to off-market co-investment opportunities, while acquiring valuable market intelligence that informs the Group's direct property investment decisions in Hong Kong and overseas.
- **Treasury Yield Optimization:** Dynamically deploying surplus liquidity into investment savings plans and wealth management products to secure stable, predictable cash returns well above prevailing bank savings rates.

Source of Funding and Investment Horizon

The Group funds its securities and financial investments through a combination of internal resources and prudent bank financing, tailored to the specific asset class and risk profile:

- **Unlisted Private Equity Real Estate Funds, Co-Investments, and Equities:** Financed entirely through the Group's internal cash reserves and capital recycled from the completed and ongoing disposals of non-core properties, with fund-level debt ring-fenced on a non-recourse basis.

- **Wealth Management Products and Structured Savings Plans:** Partially financed through secured bank borrowings and credit facilities arranged with lending banks, with the remaining balance funded by the Group's internal cash resources. The Group utilizes bank financing to enhance capital efficiency and capture a positive interest rate spread between the guaranteed or projected investment yields and the prevailing cost of bank borrowings, while maintaining overall liquidity buffers for core operational needs.

Investment Horizon

The portfolio is managed across defined time horizons aligned with the nature of the underlying assets:

- **Medium-to-Long-Term Holdings (5 to 8+ years):** Unlisted private equity real estate funds and co-investment vehicles structured around multi-year asset acquisition, value-add repositioning, and orderly divestment lifecycles.
- **Short-to-Medium-Term Holdings (1 to 5 years):** Capital-protected wealth management plans, structured savings contracts, and listed debt instruments that provide predictable recurring income, positive yield carry, and liquidity flexibility to meet upcoming capital calls or strategic property acquisitions.

Details of Fund Investments and Underlying Assets

As at 30 June 2026, the carrying amount of the Group's investments under the Securities Investment and Trading Business amounted to approximately HK\$517,279,000 (2025: approximately HK\$589,920,000), of which approximately HK\$119,062,000 (2025: approximately HK\$163,276,000) comprised property-related financial instruments. As at 30 June 2026, the Group has outstanding capital commitments of approximately HK\$81,805,000 (2025: approximately HK\$110,108,000), which are expected to be called progressively by the relevant fund managers in accordance with the terms of the respective fund agreements. For the Year, the Group received investment income from its investment portfolio in this segment of approximately HK\$5,337,000 (2025: approximately HK\$5,286,000).

Under this segment, the business' significant investments held for investment and for trading as at 30 June 2026 were as below:

	Cost as at 30 June 2026 HK\$'000	Carrying amount as at 30 June 2026 HK\$'000	Percentage of Total Assets (%)	Gain/(loss) in fair value during the Year HK\$'000	Gain on disposal during the Year HK\$'000	Dividends/ interests received during the Year HK\$'000
<i>NON-CURRENT</i>						
Financial instruments ("FI")	542,689	403,269	77.96%	(42,303)	–	869
Property-related FI	261,168	119,062	23.02%	(46,780)	–	267
Investment saving plan	198,595	190,379	36.80%	6,249	–	–
Other FI	82,926	93,828	18.14%	(1,772)	–	602
Equity instruments	44,192	56,625	10.95%	8,850	–	335
Debt instruments	64,188	56,899	11.00%	1,988	373	3,846
Intangible assets	447	447	0.08%	–	–	–
<i>CURRENT</i>						
Equity instruments	–	–	0.00%	–	–	1
Debt instruments	3,903	39	0.01%	(207)	3,604	286

The following table presents a comprehensive summary of the Group's investments under the Securities Investment and Trading Business as at 30 June 2026. It outlines the specific asset categories, target geographical regions, and underlying investment strategies across its diversified holdings, which span from private equity real estate funds and corporate debt to discretionary equity portfolios and alternative liquid assets.

Category	Target Geographies	Underlying Assets & Strategies
Private Equity Real Estate Funds	Japan, South Korea, Australia, Hong Kong, Mainland China	Value-add logistics facilities, multi-family residential, commercial offices, hotel/hospitality assets, retail shopping malls, and urban site assemblage schemes.
	Germany, United Kingdom, Pan-Europe	Residential land banking in Germany, UK residential land promotion projects, mixed-use development plots, and boutique urban hostels across major European cities (London, Berlin, Paris, Madrid, etc.).
	United States	Student accommodations across major university campuses, boutique hostels in core gateway cities (New York, Chicago, Los Angeles, Miami), and residential/commercial development projects in the San Francisco Bay Area.

Category	Target Geographies	Underlying Assets & Strategies
Co-Investment Vehicles	Mainland China, United Kingdom, Cambodia	Direct co-investments in prime commercial office properties (Shanghai, Glasgow) and a mixed-use commercial and residential complex development in Phnom Penh.
Private Debt & Loan Financing-Related Funds	Australia, Hong Kong, Mainland China	Debt participations in real estate development loans and commercial property mortgage loan financing.
Treasury & Wealth Management Products	Global/Hong Kong	Capital-guaranteed wealth management plans and institutional investment savings contracts issued by licensed international commercial banks or insurance companies, partially debt-financed to optimize net interest carry.
Strategic Listed Equities & Discretionary Portfolios	Global / Hong Kong	Discretionary equity portfolios investing in global listed equities, alongside strategic holdings in the property, technology, and logistics sectors, etc.
Listed Debt Securities & Corporate Bonds	Global / Hong Kong	Investment-grade and high-yield corporate bonds across the banking, financial services, and real estate sectors.
Alternative Investment & Liquid Funds	Global	Diversified allocations into mutual funds, alternative access funds, and treasury liquidity funds managed by premier global institutions.
Mainstream Liquid Cryptocurrencies	Global	Direct holdings of mainstream liquid virtual assets (Bitcoin) managed through licensed institutional custodian platforms.

The Group strategically invests in a diversified mix of property-related investments through unlisted structured products, including private equity funds and co-investment vehicles, with underlying real estate assets in markets such as Japan, the UK, Germany, China, Cambodia, and the United States to diversify risks and enhance returns. They represent a strategic, long-term approach to participate indirectly in property markets, particularly in regions where the Group lacks direct operational expertise but sees growth potentials, and are structured with non-recourse financing to protect Shareholders from downside risks. In parallel, the Group has subscribed for wealth management products with favourable terms to generate stable and guaranteed yields, enhancing the financial stability and capital efficiency of the Group.

As at 30 June 2026, no single investment held by the Group had a carrying amount of 5% or more of the Group's total assets. Nevertheless, to provide comprehensive disclosure and with reference to the Stock Exchange's guidance on investments of significant size, details of the Group's major fund investments and wealth management products are set out below:

1. BentallGreenOak Asia IV, L.P.:

- The Group committed US\$10,00,000 (or equivalent in Japanese Yen, equivalent to approximately HK\$78,000,000) to this closed-end private equity real estate fund, representing approximately 0.33% of the target fund size. As at 30 June 2026, the cumulative capital called was approximately US\$1,516,000 (equivalent to approximately HK\$11,788,000), and the carrying amount of the investment was approximately HK\$9,629,000 (2025: HK\$3,773,000), representing approximately 0.6% of the Group's total assets as at 30 June 2026. For the year ended 30 June 2026, the Group recognized a fair value loss of HK\$2,051,000.
- The fund is managed by BentallGreenOak (BGO), a leading global real estate investment management firm managing over US\$80 billion in institutional assets globally, with extensive operational expertise across the Asia-Pacific region.
- The fund targets value-add and opportunistic real estate acquisitions across gateway cities in the Asia-Pacific region, focusing predominantly on high-demand modern logistics hubs, multi-family residential communities, and prime commercial assets in Japan and South Korea, and selectively in Australia, Hong Kong, and Singapore.
- Investment Horizon and Status: The fund has a term of 7 to 9 years and is currently in its active investment and value-enhancement period, with asset-level performance progressing in line with underwriting benchmarks and initial cash distributions commencing pursuant to fund realization schedules.
- For further details regarding the capital commitment to BentallGreenOak Asia IV, L.P., please refer to the Company's announcements dated 1 August 2024.

2. Wealth Management and Savings Products:

- Portfolio Scope and Carrying Amount: The Group holds subscriptions in two capital-guaranteed wealth management products with Hang Seng Bank Limited totaling approximately US\$18,700,000 (equivalent to approximately HK\$145,900,000). As at 30 June 2026, the aggregate carrying amount of these products was approximately HK\$138,058,000 (2025: approximately HK\$135,054,000), representing approximately 8.9% of the Group's total assets. For the year ended 30 June 2026, the Group recognized a fair value gain of HK\$3,003,000.
- These instruments are issued by licensed global commercial banks and authorized financial institutions, generating contractually stable returns (yielding approximately 4% to 6% per annum) with capital preservation terms.

- These products are partially financed through secured bank credit facilities to capture a positive net interest margin over borrowing costs, with the remainder funded by internal resources. They provide stable recurring income, capital preservation, and liquidity buffers to support corporate operations and fund private equity capital calls.
- For further details relating to the subscriptions of the wealth management products with Hang Seng Bank Limited, please refer to the Company's announcements dated 19 April 2024 and 11 March 2025 and the circulars of the Company dated 23 May 2024 and 15 April 2025.

Scope of Permissible and Prohibited Investments

To ensure disciplined capital stewardship, the Board has established strict boundaries regarding investment activities:

- **Permissible Investments:**

1. Unlisted private equity real estate funds, co-investment vehicles, and real estate debt instruments managed by licensed, reputable institutional fund managers.
2. Wealth management products, certificates of deposit, and guaranteed investment savings plans issued by authorized financial institutions and international commercial banks.
3. Listed debt securities and corporate bonds with transparent secondary market liquidity and favourable credit profiles.
4. Mainstream liquid cryptocurrencies (such as Bitcoin) and virtual asset instruments traded or custodied through licensed, regulated, or internationally recognized platforms.
5. Strategic listed equities offering dividend yield potential or corporate synergy.

- **Prohibited Investments:**

1. Speculative financial derivatives, naked short options, futures, and leveraged margin trading.
2. Unvetted decentralized tokens, initial coin offerings (ICOs), and highly leveraged, unregulated virtual asset derivatives.
3. Illiquid structured products involving unlimited investor recourse or secondary capital liability.
4. Investments in non-property, high-volatility venture capital sectors outside the Group's defined risk appetite.

Risk Management and Control Measures

When evaluating potential property-related investments, in addition to the quantitative and qualitative benchmarks and criteria, which are generally the same as the Properties Investment and Trading Business mentioned above, the Group also takes into account of other criteria when determining whether to take up property-related investments, including:

- whether the investment strategies of the potential investment align with the investment strategies of the Company and its principal activities; whether the target internal rate of return (“IRR”) and the historical IRR of other funds managed by the fund manager are higher than the benchmark IRR; whether the management team has a proven historical performance record; whether the fund managers have good reputation within the industry;
- whether the fund demonstrates robust risk management practices; whether there is transparent and reasonable fee structure which is in line with the industry norm; whether there are reasonable liquidity terms with clear lock-up periods and well-defined redemption/distribution policy;
- whether the fund managers would align the interest between the fund managers and investors towards the same investment objective; whether co-investment opportunities are available; and the outlook for the sector invested.

The Group enforces a comprehensive risk control framework incorporating defined quantitative thresholds, qualitative screening, and ongoing liquidity oversight:

1. Defined Risk Limits and Specific Metrics:

- **Portfolio Concentration Limits:** No single unlisted fund holding or issuer exposure shall exceed 10% of the Group’s total assets at the time of investment commitment.
- **Underlying Fund Leverage Ceilings:** The Group commits only to funds whose underlying borrowing guidelines restrict overall loan-to-value (LTV) ratios to institutional thresholds (generally capped at 60% to 65%) with non-recourse covenants.
- **Minimum Hurdle Rates:** Target net Internal Rate of Return (IRR) is benchmarked against a hurdle rate of 8% to 12% for opportunistic/value-add funds, and expected cash yields must comfortably exceed prevailing cost-of-capital benchmarks.

2. Leverage and Spread Monitoring on Wealth Management Products:

- **Net Interest Margin Management:** For wealth management products partially financed by bank loans, the Group actively tracks borrowing interest rates against product yield rates to maintain a sustainable, positive interest margin.
- **LTV and Collateral Tracking:** The investment team continuously monitors the loan-to-value ratios and bank covenant compliance of pledged assets to eliminate collateral shortfall risks and manage refinancing schedules effectively.

3. Counterparty Risk Management Mechanism:

- **Selection Criteria:** Fund managers must possess a verifiable performance track record across at least two preceding vintages, manage institutional-grade third-party capital, and maintain regulatory licensing in their domicile jurisdiction.
- **Financial Institutions:** Wealth management and debt products must be issued or guaranteed by authorized financial institutions or global banking counterparties with strong international credit ratings.
- **Alignment of Interest:** The Group requires general partners (GPs) to commit substantial sponsor equity (typically 1% to 5% of fund capital) to ensure alignment with limited partners.

4. Liquidity Risk Management Mechanism:

- **Commitment Cash Matching:** Outstanding capital commitments are continuously reconciled against the Group's liquid cash balances, cash equivalents, and projected cash inflows from property realizations, ensuring readily available liquidity to satisfy capital calls as they fall due.
- **Staggered Liquidity Horizons:** Treasury instruments and wealth management plans are structured across staggered maturity profiles to preserve short-term liquidity buffers while capturing positive net yields.

Approval and Oversight Mechanisms

The Group's property-related investments under the Securities Investment and Trading Business include investments in student accommodation (US and UK), land banking and development projects (Germany and UK), commercial properties (Shanghai, Glasgow, Hong Kong), mixed-use developments (Cambodia, San Francisco), hostels (US and Europe), and real estate assets across Asia (Japan, South Korea, Australia and Hong Kong).

a. Active management and investment activities undertaken by the Group

The Group's involvement in these investments extends beyond that of a passive financial investor. The Group actively engages with fund managers and exercises governance rights embedded in fund structures.

For example, in certain investments the Group holds board representation or has consent rights over significant matters such as disposals, acquisitions, and additional capital contributions. The Group has exercised these rights in practice, including granting or withholding consent for capital calls and influencing exit strategy decisions. In some co-investments, the Group's exercise of its consent rights has been determinative in shaping the project's direction.

Investing through funds also facilitates ongoing dialogue and sharing of off-market investment opportunities. The Group's fund relationships have facilitated access to co-investment opportunities, enabling the Group to invest directly alongside funds in specific projects and leveraging fund managers' expertise to access markets where the Group may not otherwise have direct access.

b. The Group's plan on the Securities Investment and Trading Business

The Group will continue to actively monitor its existing portfolio while selectively evaluating opportunities that align with its property-focused investment strategy. The Group intends to maintain a resilient, diversified portfolio of property-related investments across different geographies and asset classes, such as places where the Group lacks direct operational expertise but sees potential growth, while exercising prudent risk management and maintaining active engagement with fund managers.

c. How the Group monitors property-related investments under the Securities Investment and Trading Business

The Group monitors its property-related investments through the following key activities:

- (i) Access to comprehensive and up-to-date information of its investments through multiple channels: The Group conducts monthly meetings with various international banks and investment advisers to review all investments across the invested funds. The Group also organises periodic direct dialogues (either in person or via virtual means) with the top management team of the funds to discuss fund performance, strategy updates, and to address any inquiries or concerns of the Company. The Group obtains regular reports from the funds in accordance with their designated reporting cycles, which contain detailed performance metrics of the funds, share proprietary insights and respond to the Company's targeted inquiries to enable the Company to maintain ongoing oversight. The Group has access to online investor portals as well offering real-time access to fund information, enabling the Group to view dashboards, download update reports, review capital account statements, and access notices relating to capital calls and distributions from time to time. The Company also holds a board seat in one of its investments;
- (ii) Review and Analysis: The Group's investment team reviews the information provided by the funds, assesses whether the deployment of investments is consistent with pre-agreed strategies, analyses key fund metrics (including capital calls, outstanding commitments, allocation by geography and property type, IRR, and gearing levels), reconciles capital account statements against internal records, and examines asset-level performance indicators; and
- (iii) Ongoing Communication and Oversight: The investment team maintains active communication with fund managers to address concerns arising from ongoing analysis. Fund managers provide regular updates on market dynamics affecting the relevant property sectors of the funds. The Group may request stress tests on projects under detailed scrutiny be conducted by fund managers, request for site visits for specific properties to examine the on-ground conditions in person to assess the implementation progress and effectiveness of strategic execution plans, and request mitigation plans addressing the identified risks and red flags.

In addition, the Group considers a number of factors in assessing whether to make further investments, monitor or withdraw from the existing funds, including fund performance, manager quality, alignment of interests, availability of appropriate governance protections, and feasibility of exit options. The specific factors may vary depending on the nature and circumstances of each fund and each further investment opportunity.

Loan Financing

During the Year, the Group recorded an interest income from the loan financing business amounting to approximately HK\$5,192,000 (2025: approximately HK\$4,937,000), representing approximately 6.3% (2025: approximately 11.1%) of the total revenue of the Group. The Group reported a segment profit of approximately HK\$5,828,000 (2025: approximately HK\$4,288,000) during the Year. Revenue derived from loan financing business maintains stable and profit was increased for the Year since reversal of loss allowance on loan and interest receivables of approximately HK\$652,000 (2025: loss allowance of approximately HK\$630,000) was recognised during the Year.

The carrying amount of loan and interest receivables for loan financing business as at 30 June 2026 was approximately HK\$49,220,000 (2025: approximately HK\$36,341,000) which were primarily secured by share mortgage, and a deed of assignment of the borrower's commitment under a mezzanine loan agreement. The Group is not permitted to sell or repledge the collaterals, if any, in the absence of default by the borrowers.

During the Year, the fixed interest rate on the Group's loan receivables ranged from 8% to 22.5% (2025: ranged from 3.33% to 22.5%) per annum. All loan receivables during the Year are fixed-rate loans and comprising 5 corporate loan accounts and 1 personal loan account (2025: 5 corporate loan accounts).

Loan Portfolio Management & Extensions

To ensure stable recurring interest returns and maintain healthy credit relationships, the Group actively reviews the loan repayment status and collateral coverage of its borrowers prior to facility maturity. Subsequent to the reporting period, on 16 July 2026, the Group entered into a supplemental loan agreement with PL Technology Limited (refer to as Borrower A below) to increase the loan facility limit up to HK\$50,000,000 and extend the repayment date of the loan facility for an additional period of 24 months to 3 May 2029 at an interest rate of 8% per annum. The loan continues to be fully secured by debenture, share mortgage and deed of assignment. For further details, please refer to the Company's announcement dated 16 July 2026 and the circular dated 24 August 2026.

Set out below is the summary of the top three borrowers of the loan financing business as at 30 June 2026 arranged in descending order of their respective carrying amounts:

Notes:

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Ageing Analysis of Loan and Interest Receivables

Loan and interest receivables with carrying amount of approximately HK\$49,220,000 (30 June 2025: approximately HK\$36,341,000) are not past due at the end of the reporting period. The ageing analysis of loan and interest receivables based on the maturity date (or expected repayment dates if not specified) is below:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Within one year	13,159	3,713
One year to five years	36,061	32,628
	49,220	36,341

Credit Risk Management and Internal Control Policies

The Group generally provided short-term to medium-term loan. The target customer groups of the business are individuals and corporate entities that have short-term to medium-term funding needs and could provide sufficient collaterals for their borrowings. The Group's clientele is primarily acquired through business referrals and introductions from the Company's directors, senior management, business partners or clients.

The Group has credit policies, guidelines and procedures in place which cover key internal controls of a loan transaction including due diligence, credit appraisal, proper execution of documentations, continuous monitoring and collection and recovery. The due diligence procedures include conducting research on borrowers' background, evaluating its current business operations and financial conditions, market reputation and creditability, and conducting financial analysis and recoverability analysis. To minimise credit or investments risks, the Group will typically require guarantees, including collaterals with expected realised value exceeding the loan or investment amount, post-dated cheques, and/or personal guarantees and corporate guarantees.

After drawdown of loan, the loan agreement will be filed with the loan documents properly. The Group maintains regular contact with the borrowers and carries out periodical review to assess the recovery of the loan based on the business development, financial status, repayment ability including such as recent settlement record and any litigations and bankruptcy orders against borrowers. The Group will take all necessary legal actions against the relevant clients to follow up the settlement of the outstanding loans.

The Group performs impairment assessment under expected credit loss (“ECL”) model on loan receivables which are subject to impairment assessment under HKFRS 9 issued by Hong Kong Institute of Certified Public Accountants. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition. In particular, the following information is being considered when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the loans receivable’s external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the borrower;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the borrower’s ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the borrower; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environments of the borrower that results in a significant decrease in the borrower’s ability to meet its debt obligations.

As at 30 June 2026, loss allowance of approximately HK\$652,000 was reversed in profit or loss (2025: loss allowance of approximately HK\$630,000 was recognised) in its loan financing business.

PROSPECT

The principal activity of the Company is investment holding. The Group is principally engaged in investment, trading and development of properties and securities investment and trading.

Macroeconomic Environment and Market Outlook

The Hong Kong economy expanded solidly in the first half of 2026, supported by buoyant external merchandise trade-driven largely by strong global demand for artificial intelligence (AI)-related electronics, alongside resilient domestic consumption and steady employment conditions. Hong Kong’s position as an international financial centre was further reinforced by active capital market fundraising and deep cross-border financial connectivity. Nevertheless, external headwinds persist, including fluid geopolitical tensions in the Middle East, elevated energy prices, and lingering uncertainties surrounding inflation dynamics and the monetary policy trajectories of major central banks.

The local real estate sector continued to exhibit structural divergence for the Year. The residential property market entered a solid recovery phase, characterized by buoyant transaction volumes, rebounding home prices, and resilient rental demand supported by steady household income and demographic inflows. In contrast, the non-residential property market remained subdued, with commercial office and retail shop rentals continuing to soften amidst cautious corporate leasing sentiment.

This bifurcated market environment validates the Group's disciplined capital recycling and "Exit and Enhance" strategy. The Group is proactively rationalizing non-performing or lower-yielding commercial office properties to eliminate downside valuation exposure, while redeploying proceeds into high-yielding opportunities, principally the Government-backed Basic Housing Unit ("BHU") residential rental platform. Complementing this with secured loan financing and prudent fund investments, the Group maintains a defensive yet agile balance sheet to navigate interest rate fluctuations and deliver sustainable, long-term shareholder value.

Segment Strategies and Business Plans

Property Investment and Trading Business

The Group continuously reviews its property portfolio to adapt to shifting real estate market conditions. Under its "Exit and Enhance" framework, the Group actively rationalizes non-core or lower-yielding commercial assets and redeploys the capital into higher-yielding, resilient residential platforms:

- **Portfolio Rationalization:** Following the completed disposals of trading properties at Lime Stardom (consideration: HK\$38,000,000) and the Skye Niseko serviced apartment (consideration: approximately HK\$14,140,000), alongside the provisional disposal of the commercial office units and carpark at Universal Trade Centre (consideration: HK\$31,500,000, scheduled for completion on or before 28 October 2026) and the advertising signage at Sea View Estate (consideration: HK\$26 million, scheduled for completion on or before 16 November 2026), the Group's remaining core portfolio comprises seven commercial and industrial properties in Hong Kong and the UK, and one luxury serviced apartment at Park Hyatt Niseko in Japan.
- **Basic Housing Unit ("BHU") Platform:** The Group is positioning itself as an institutional, quality-focused provider under the Hong Kong Government's statutory BHU regime. The Group has acquired an initial portfolio of nine residential properties across prime urban districts (Mong Kok, Sham Shui Po, Happy Valley, and Quarry Bay) for conversion into certified, compliant BHUs. Management intends to deploy approximately HK\$100,000,000, funded entirely through internal resources and proceeds recycled from completed and pending asset disposals to scale this platform to a target portfolio of approximately 20 to 40 properties. The Group targets an unleveraged rental yield of 7% to 10% upon full operation, with recurring rental income scheduled to roll out in phases from 2027 through 2029.

Property Development Business

Following the successful sell-out and delivery of all 14 residential units at the UK Property Project, with the legal completion of the final apartment concluded on 24 April 2026, the Group has fully realized its capital investment and solidified its overseas development track record.

To maintain an active and sustainable property development platform, the Group is undertaking the following proactive initiatives:

- Actively sourcing and evaluating small-to-medium-scale residential developments, urban renewal/redevelopment schemes, and value-add residential conversion projects located primarily in core urban districts of Hong Kong as well as established metropolitan areas in the UK and Japan.
- Engaging in preliminary discussions with selected local developers and institutional co-investment partners to explore joint development opportunities that optimize capital efficiency, share development risk, and enhance margins.
- Liquidity generated from the completion of the UK Property Project, combined with capital recycled from non-core asset sales, provides dedicated funding to execute acquisitions immediately upon identifying viable projects that meet the Group's return benchmarks.

Securities Investment and Trading Business

The Group maintains a portfolio of equities, debt instruments, and unlisted investment funds to generate steady income and potential capital appreciation from its surplus cash.

- The Group strategically participates in top-tier private equity real estate funds, such as its US\$10,000,000 capital commitment to BentallGreenOak Asia IV, L.P., and holds wealth management products of approximately US\$18,700,000 to secure attractive risk-adjusted returns with downside protection through non-recourse financing structures at the fund level.
- Capital deployment in this segment remains strictly governed by three core principles: (i) potential for risk-adjusted returns (capital appreciation and distribution yields), (ii) strict alignment with the Group's risk tolerance level, and (iii) geographic and asset class diversification.

Loan Financing Business

The Group's licensed money lending operations continue to deliver consistent, secured interest returns:

- The Group targets creditworthy corporate entities and high-net-worth clients requiring short-to-medium-term financing, maintaining stringent collateral requirements such as share mortgages, property charges, deeds of assignment, and corporate/personal guarantees.
- The Group actively assesses repayment capacity and collateral adequacy ahead of facility expiries, executing prudent loan extensions (such as the extension of performing secured facilities detailed in the Company's announcements dated 16 July 2026 and circular dated 24 August 2026) to secure recurring cash flow yields ranging from 8% to 22.5% per annum.

Dynamic Capital Allocation and Shareholder Value

The Board maintains a disciplined, risk-adjusted capital allocation framework. With traditional Hong Kong commercial office yields remaining compressed relative to prevailing financing costs, the Group is dynamically directing capital away from low-yielding commercial properties and redeploying it into higher-yielding, accretive segments:

- BHU residential rental platforms targeting 7% to 10% unleveraged yields;
- Secured loan financing delivering recurring yields of 8% to 22.5% per annum; and
- Diversified securities and private funds providing global real estate exposure, liquidity buffers, and capital appreciation potential.

This agile redeployment strategy ensures the Group preserves capital and drives sustainable long-term value for Shareholders.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2026, the Group had net current assets of approximately HK\$101,416,000 (2025: approximately HK\$35,345,000) including cash and bank balances of approximately HK\$189,777,000 (2025: approximately HK\$144,141,000).

The gearing ratio was approximately 19% as at 30 June 2026 (2025: approximately 20%). The gearing ratio is derived by dividing the total of borrowings by total assets. The gearing ratio decrease mainly due to decrease in borrowings during the year.

During the Year, the Group financed its operations with its own working capital and bank borrowings. As at 30 June 2026, the secured bank borrowings of the Group was approximately HK\$291,787,000 (2025: approximately HK\$330,390,000), in which approximately HK\$262,076,000 (2025: approximately HK\$297,480,000) are repayable within a period of not exceeding 5 years and approximately HK\$29,711,000 is repayable beyond 5 years (2025: approximately HK\$32,910,000), and there was no other borrowings as at 30 June 2026 (2025: Nil). The figures ignore the effect of repayment on demand clause and are based on the schedule repayment dates in bank loan agreement.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

1. On 24 July 2025, Luck Wise Investment Limited (an indirect wholly-owned subsidiary of the Company) as the lender entered into a third supplemental loan agreement with P L Technology Limited as the borrower in respect of a revolving loan facility originally dated 3 May 2022 and previously supplemented, maintaining the loan limit at up to HK\$30,000,000. For details of the transaction, please refer to the Company's announcement dated 24 July 2025.
2. On 2 October 2025, August Ally Limited (an indirect wholly-owned subsidiary of the Company) redeemed its investments in redeemable unlisted securities of the HSBC Global Investment Funds – Ultra Short Duration Bond, for an aggregate redemption value of approximately HK\$6,747,000 in cash. For details of the transaction, please refer to the Company's announcement dated 2 October 2025.
3. On 4 February 2026, Wealth Tool Limited (an indirectly wholly-owned subsidiary of the Company) as the vendor, entered into the sale and purchase agreement with Mr. Lee Kok Kwan and Ms. Rosemary Yvonne Fong as purchaser, and Niseko Real Estate KK, a property agency in Japan as the agent, pursuant to which the vendor agreed to sell, and the purchaser agreed to purchase, the service apartments located at Skye Niseko A707–708, 204–7 AzaYamada, Kutchan-cho, Abuta-gun, Hokkaido, Japan, with a gross floor area of approximately 127.56 sq. m., owned by the Vendor at the consideration of JPY280,000,000 (equivalent to approximately HK\$14,140,000). For details of the transaction, please refer to the Company's announcement dated 4 February 2026.

During the Year, those investments held by the Group are as follows:

	Cost as at 30 June 2026 HK\$'000	Carrying amount as at 30 June 2026 HK\$'000	Outstanding commitment as at 30 June 2026 HK\$'000	Total of carrying amount and commitment as at 30 June 2026 HK\$'000	Gain/(Loss) in fair value during the Year HK\$'000	Gain/(Loss) on disposal during the Year HK\$'000	Exchange difference during the Year HK\$'000	Dividends/ Interests received/ receivable during the Year HK\$'000
<i>NON-CURRENT</i>								
Equity instruments at fair value through other comprehensive income								
Listed in Hong Kong	1,762	1,135	–	1,135	(625)	–	–	1
Listed outside Hong Kong	42,430	55,490	–	55,490	9,475	–	(195)	334
	<u>44,192</u>	<u>56,625</u>	<u>–</u>	<u>56,625</u>	<u>8,850</u>	<u>–</u>	<u>(195)</u>	<u>335</u>
Financial instruments at fair value through profit or loss								
Unlisted investment funds	542,689	403,269	81,805	485,074	(42,303)	–	(157)	869
	<u>542,689</u>	<u>403,269</u>	<u>81,805</u>	<u>485,074</u>	<u>(42,303)</u>	<u>–</u>	<u>(157)</u>	<u>869</u>
Debt instruments at fair value through other comprehensive income								
Listed in Hong Kong	64,188	56,899	–	56,899	1,988	373	136	3,846
	<u>64,188</u>	<u>56,899</u>	<u>–</u>	<u>56,899</u>	<u>1,988</u>	<u>373</u>	<u>136</u>	<u>3,846</u>
	<u>651,069</u>	<u>516,793</u>	<u>81,805</u>	<u>598,598</u>	<u>(31,465)</u>	<u>373</u>	<u>(216)</u>	<u>5,050</u>
<i>CURRENT</i>								
Equity instruments at fair value through profit or loss								
Listed outside Hong Kong	–	–	–	–	–	–	(1)	1
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(1)</u>	<u>1</u>
Debt instruments at fair value through other comprehensive income								
Listed in Hong Kong	3,903	39	–	39	(207)	3,604	–	286
	<u>3,903</u>	<u>39</u>	<u>–</u>	<u>39</u>	<u>(207)</u>	<u>3,604</u>	<u>–</u>	<u>286</u>
	<u>3,903</u>	<u>39</u>	<u>–</u>	<u>39</u>	<u>(207)</u>	<u>3,604</u>	<u>(1)</u>	<u>286</u>
	<u>654,972</u>	<u>516,832</u>	<u>81,805</u>	<u>598,637</u>	<u>(31,672)</u>	<u>3,977</u>	<u>(217)</u>	<u>5,337</u>

The total size of carrying amount and outstanding commitment for each of those investments as at 30 June 2026 represents approximately 0.0001% to 4.67% of the total assets of the Group as at 30 June 2026. The Group maintains a portfolio of equities, bonds and other investments products which generate steady income with potential of capital appreciation. The Group has taken into account of the following criteria when determining whether to take up an investment and trading opportunity: (i) potential for return on investment in terms of capital appreciation and dividend payment for the targeted holding period; (ii) risks exposure in comparison with the Group's risk tolerance level at the prevailing time; and (iii) diversification of the existing investment portfolio.

Save for those disclosed above and in this announcement, there were no significant investment held, material acquisitions or disposals of subsidiaries and affiliated companies during the Year and there is no plan for material investments or capital assets as at the date of this announcement.

PLEDGE OF ASSETS

As at 30 June 2026, the leasehold properties, certain investment properties and assets held for sale with carrying amount of approximately HK\$75,400,000 (2025: approximately HK\$80,100,000), approximately HK\$467,278,000 (2025: approximately HK\$552,534,000) and approximately HK\$33,900,000 (2025: nil) and bank deposits of approximately HK\$129,454,000 (2025: approximately HK\$144,196,000) were pledged to secure bank borrowings for the Group.

CONTINGENT LIABILITIES

As at 30 June 2026, the Company has no contingent liabilities (2025: Nil).

LEASE AND CONTRACTED COMMITMENTS

As lessor

As at 30 June 2026, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Within one year	13,861	18,261
In the second year	8,539	11,447
In the third year	6,314	6,208
In the fourth year	5,129	5,552
In the fifth year	4,618	5,162
Beyond five years	985	4,436
	39,446	51,066

The Group leases its properties under operating lease arrangements which run for an initial period of one to ten years (2025: one to fifteen years), with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenants. None of the leases include contingent rentals.

CAPITAL COMMITMENTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Contracted but not provided for:		
Financial instruments at FVTPL	81,805	110,108
Investment properties	18,168	–

FOREIGN EXCHANGE EXPOSURE

The Group's income and expenditure during the Year were denominated in United States dollars (the "US\$"), British Pound (the "GBP"), Euro (the "EUR"), Japanese Yen (the "JPY") and Hong Kong Dollars ("HK\$"), and most of the assets and liabilities as at 30 June 2026 were denominated in US\$, GBP, EUR, JPY, Renminbi (the "RMB"), Australian dollars (the "AUD") and HK\$. Accordingly, the Board is of the view that, to a certain extent, the Group is exposed to foreign currency exchange risk. For the US\$ foreign exchange exposure, the Board believes the exposure is small as the exchange rate of US\$ to HK\$ is pegged. However, the Group is exposed to GBP, EUR, JPY, RMB and AUD foreign exchange exposure and fluctuation of exchange rates of GBP, EUR, JPY, RMB and AUD against HK\$ could affect the Group's results of operations. During the Year, foreign currency banking facilities for GBP, EUR, JPY and AUD were arranged for acquisition of properties and investments in these currencies to hedge for foreign exchange exposure.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk, by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

SEGMENT INFORMATION

The analysis of the principal activities and geographical locations of the operations of the Group are set out in Note 3 to this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 17 (2025: 16) employees, including the Directors. Total staff costs (including Directors' emoluments) were approximately HK\$16,913,000 for the Year as compared to approximately HK\$18,854,000 in last year. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees in Hong Kong and share option scheme.

EVENTS AFTER THE YEAR

1. Major Transaction – Rules 14.36 of the Listing Rules

Reference is made to the loan transaction as disclosed under the section “Significant Investment Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Future Plans for Material Investments or Capital Assets” of this announcement, whereby Luck Wise Investment Limited (the “Lender”) (an indirect wholly-owned subsidiary of the Company) made available to P L Technology Limited (the “Borrower”) a revolving loan in the limit up to HK\$30,000,000 (the “Revolving Loan”) on the terms and subject to the conditions of a loan agreement dated 3 May 2022 (the “Loan Agreement”).

On 16 July 2026, the Lender as lender entered into a fourth supplemental loan agreement in respect of the Loan Agreement with the Borrower as borrower (the “Fourth Supplemental Loan Agreement”).

Pursuant to the Fourth Supplemental Loan Agreement, the principal terms of the Loan Agreement were further amended on the terms and subject to the conditions of the Fourth Supplemental Loan Agreement with the Revolving Loan in the limit of up to HK\$50,000,000.

Further details of the Revolving Loan can be referred to the Company's announcement and circular dated 16 July 2026 and 24 August 2024 respectively.

2. Major Transaction – Disposal of Properties

On 15 July 2026, the Vendors, being the indirectly wholly-owned subsidiaries of the Company, entered into (i) the provisional sale and purchase agreement, dated 15 July 2026, entered into between Vendor 1, Vendor 2 and Vendor 3, the Purchaser and the Agent in relation to the sale and purchase of Property 1; and (ii) the provisional sale and purchase agreement, dated 15 July 2026, entered into between Vendor 4, the Purchaser and the Agent in relation to the sale and purchase of Property 2 with the Purchaser and the Agent, pursuant to which the Vendors agreed to sell, and the Purchaser agreed to purchase, the Properties for a total consideration of HK\$31,500,000 (the “Disposal of Properties”).

The principal terms of the PSPA 1 are set out below:

Date: 15 July 2026

Parties: Vendor 1: Celestial Tower Limited
Vendor 2: Just Central Limited
Vendor 3: Coastal Talent Limited
Purchaser: Evermore Triumph Group Limited
Agent: Pioneer Property Consulting Limited

Property 1: Office 1 to 3 on 30th Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong, with a gross floor area of approximately 4,123 sq. ft.

Consideration: The consideration for the disposal of Property 1 is HK\$29,000,000 and is payable by the Purchaser in the following manner:

- (i) an initial deposit of HK\$1,450,000 was paid on signing of the PSPA 1;
- (ii) a further deposit of HK\$1,450,000 shall be paid on or before 28 July 2026; and
- (iii) the balance of HK\$26,100,000 shall be paid upon completion of the disposal of Property 1.

Completion: Completion of the disposal of Property 1 shall take place on or before 28 October 2026. The Properties will be delivered on an “as-is” basis.

The principal terms of the PSPA 2 are set out below:

Date: 15 July 2026

Parties: Vendor 4: Double Achiever Limited
Purchaser: Evermore Triumph Group Limited
Agent: Pioneer Property Consulting Limited

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Purchaser and the Agent and their directors and ultimate beneficial owner(s) are all Independent Third Parties.

Property 2: Car Parking Space No. 6 on 2nd Floor, Universal Trade Centre, No. 3 Arbuthnot Road, Hong Kong

Consideration: The consideration for the disposal of Property 2 is HK\$2,500,000 and is payable by the Purchaser in the following manner:

- (i) an initial deposit of HK\$125,000 was paid on signing of the PSPA 2;
- (ii) a further deposit of HK\$125,000 shall be paid on or before 28 July 2026; and
- (iii) the balance of HK\$2,250,000 shall be paid upon completion of the disposal of Property 2.

Completion: Completion of the disposal of Property 2 shall take place on or before 28 October 2026.

For details of the disposal of properties, please refer to the Company's announcement and the circular dated 15 July 2026 and 24 August 2026, respectively.

3. Major Transaction – Disposal of Equity Interest in a Subsidiary

On 28 September 2026, the Vendor, being a direct wholly-owned subsidiary of the Company, entered into the provisional agreement for sale and purchase, dated 28 September 2026 in relation to the Disposal with the Purchaser and the Agent, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Shares and the Sale Debt for a total consideration of HK\$26,000,000 (the “Disposal of Equity Interest in a Subsidiary”).

The principal terms of the PSPA are set out below:

Date

28 September 2026

Parties

Vendor: Alpha Easy Limited, a direct wholly-owned subsidiary of the Company

Purchaser: Mr. Liang Jun

Agent: Richfield Realty Limited

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, and based on the respective confirmation of the Purchaser and the Agent, the Purchaser and the Agent (and its ultimate beneficial owner(s)) are Independent Third Parties.

Subject matter

Pursuant to the PSPA, the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Shares and the Sale Debt pursuant to the terms and conditions of the PSPA.

The Sale Shares represent all issued shares of the Target Company. The Sale Debt represents all debts owing by the Target Company to the Vendor and/or its associates on Completion. As at 31 December 2025, the unaudited carrying amount of the Sale Debt was approximately HK\$39,761,000.

The Target Company is the registered and beneficial owner of the Property (the property located at front portion of the roof of Sea View Estate, in North Point and the advertising signage).

Consideration

The aggregate consideration for the Disposal is HK\$26,000,000, which shall be payable by the Purchaser in the following manner:

- (i) a Deposit in the sum of HK\$6,000,000 was paid on signing of the PSPA; and
- (ii) the Balance in the sum of HK\$20,000,000 shall be paid on Completion.

The consideration for the Disposal was determined on the basis of normal commercial terms and after arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, (i) the prevailing market conditions, (ii) the market rent and expected market yield of properties similar to the Property in Hong Kong and (iii) the preliminary assessment of the valuation of the Property as at August 2026 conducted by an independent valuer in the amount of HK\$22,610,000.

Conditions

Completion shall be conditional upon and subject to:

- (i) the Purchaser having completed his due diligence review on the business, financial and legal aspects of the Target Company and reasonably satisfied with the results thereof;
- (ii) the Vendor having procured the Target Company to give and prove a good title to the Property in accordance with Sections 13A and 13 of the Conveyancing and Property Ordinance (Chapter 219 of the Laws of Hong Kong); and
- (iii) all the representations, undertakings and warranties given by the Vendor under the PSPA and the Formal Agreement are and shall remain true, accurate and not misleading in all material respects up to Completion.

If any of the conditions set out above have not been satisfied (or as the case may be, waived by the Purchaser) on or before 16 November 2026 (or such later date as the Vendor and the Purchaser may agree in writing), the Purchaser shall be entitled to cancel the transaction under the PSPA whereupon the Deposit shall be returned by the Vendor or its solicitors to the Purchaser forthwith.

Formal Agreement

The Vendor and the Purchaser shall negotiate in good faith and use all their respective reasonable endeavours to enter into the Formal Agreement, which shall incorporate the terms, warranties and representations customary to transactions contemplated under the PSPA based on and subject to the principal terms set out in the PSPA, on or before 16 October 2026.

In the event that the Vendor and the Purchaser shall fail to reach agreement on the terms of the Formal Agreement on or before 16 October 2026, the PSPA shall remain valid and of full force and effect and the parties to the PSPA shall continue to fulfill their respective obligations thereunder.

Completion

Completion of the Disposal shall take place on or before 16 November 2026 (or such later date as the Vendor and the Purchaser may agree in writing), subject to the fulfillment of the conditions set out above.

For details of the Disposal of Equity Interest in a Subsidiary, please refer to the Company's announcement dated 28 September 2026.

4. Discloseable Transaction – Provision of Loan to the Purchaser

Following the execution of the provisional agreement for sale and purchase of the Disposal of Equity Interest in a Subsidiary, on 28 September 2026, the Lender, being an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Purchaser, pursuant to which the Lender agreed to grant the Loan in the principal amount of HK\$20,000,000 to the Purchaser at an interest rate of 5% per annum for a repayment term of 36 months from the Drawdown Date (the “Provision of Loan to the Purchaser”).

The principal terms of the Loan Agreement are summarised below:

Date

28 September 2026

Parties

Lender: Wealthy View Limited, an indirect wholly-owned subsidiary of the Company

Borrower: Mr. Liang Jun, i.e. the Purchaser

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, and based on the confirmation of the Purchaser, the Purchaser is an Independent Third Party.

Principal amount of the Loan: HK\$20,000,000

Interest rate: 5% per annum

Intended Drawdown Date: the date on which Completion takes place

Purpose: To fund the payment of the Balance

Repayment term: The Purchaser shall make partial repayment of the principal of the Loan in the amount of HK\$1,660,000 every three months commencing from the Drawdown Date up to and including the date falling 33 months from the Drawdown Date.

The Purchaser shall pay interest accrued on the outstanding principal of the Loan every month commencing from the Drawdown Date.

The Purchaser shall repay the indebtedness under the Loan Agreement (including the outstanding principal of the Loan and any interest accrued thereon) in full on the day falling 36 months from the Drawdown Date.

Prepayment: The Purchaser may, by giving one-month prior written notice to the Lender, prepay all or part of the Loan after the first two instalments of partial repayment of the principal of the Loan have been duly made by the Purchaser.

Default interest: If the Purchaser fails to pay any sum (whether of principal, interest or otherwise) payable under the Loan Agreement when due, the Purchaser shall pay interest on such sum from and including the due date to the date of actual payment at the rate of 20% per annum.

Security:

- (i) A first legal charge over the Property to be executed by the Target Company as mortgagor and the Purchaser as borrower in favour of the Lender;
- (ii) An assignment of rental proceeds in respect of the Property to be executed by the Target Company as assignor in favour of the Lender;
- (iii) A first priority share mortgage in respect of all issued shares of the Target Company to be executed by the Purchaser as mortgagor in favour of the Lender; and
- (iv) A deed of assignment relating to any loan owed or to be owed by the Target Company to the Purchaser to be executed by the Purchaser as assignor and the Target Company in favour of the Lender.

For details of the Provision of Loan to the Purchaser, please refer to the Company's announcement dated 28 September 2026.

Save as disclosed above, the Group does not have any material subsequent event after the Year and up to the date of this announcement.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (2025: Nil).

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code to the Appendix C1 (the “CG Code”) to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company has complied with all CG Code during the Year.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by Directors throughout the Year.

AUDIT COMMITTEE

According to the Listing Rules, the Company has to establish an audit committee comprising at least three members who must be non-executive directors only, and the majority thereof must be independent non-executive directors, at least one of whom must have appropriate professional qualifications, or accounting or related financial management expertise. The audit committee of the Company (the “Audit Committee”) was established on 2 May 2002 with the latest written terms of reference effective on 1 January 2019. The Audit Committee is chaired by Mr. Koo Fook Sun Louis, who possesses the appropriate professional accounting and related financial management expertise required under Rule 3.10(2). All Audit Committee members are independent non-executive Directors, namely Mr. Koo, Ms. Yeung and Mr. Liu.

The latest terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company.

The primary duties of the Audit Committee are to review and supervise the financial control, risk management and internal control systems of the Group and provide advice and comment on the Company’s draft annual reports and accounts, half-year reports and, if prepared for publication, quarterly reports to Directors.

The Audit Committee held 4 meetings during the Year and performed the following works:

1. Financial Reporting

- reviewed the audited consolidated financial statements for the year ended 30 June 2025 in conjunction with the external auditor and the unaudited financial statements for 3 months ended 30 September 2025, 6 months ended 31 December 2025 and 9 months ended 31 March 2026;
- reviewed the accounting principles and practices adopted by the Group;

- reviewed the auditing and financial reporting matters, including the key audit matters of the consolidated financial statements for the year ended 30 June 2025 which are set out in the annual report of the Company for the year ended 30 June 2025;
- reviewed the audit planning for the Year in conjunction with the external auditor;

2. External Auditor

- **Audit Planning:** Formulated and approved the pre-audit structural roadmap and scope of work for the Year in coordination with the external auditor.
- **Re-appointment Recommendation:** Recommended the formal re-appointment of BDO Limited as the Group's statutory external auditor for Shareholders' approval at the AGM.
- **Remuneration Monitoring:** Monitored and analyzed the total fees paid or payable to BDO Limited for the Year, which are structured below:

Service category	Description of services rendered	Fee (HK'000)
Audit	Statutory audit of the consolidated financial statements for the Year	650
Non-audit	Review of interim financial information and continuing connected transactions for the Year	70

- **Independence Safeguard Review:** The Committee conducted a comprehensive evaluation of the non-audit services rendered by BDO Limited during the Year (including review of interim financial information and continuing connected transactions). The Committee formally confirms that these services were handled via separate operational teams, were structured on an arm's-length commercial basis, and did not impair or compromise the independence, objectivity, and professional skepticism of the Auditor.

3. Internal Audit

The Group has recruited personnel for its internal audit function during the Year. The Group's internal audit department and senior management conduct reviews of the effectiveness of the risk management and internal control systems of the Group. The Audit Committee reviews the findings and recommendations of the internal audit department and the senior management in their meetings held at least annually and reports to the Board on such review.

4. Corporate Governance, Risk Management and Whistleblowing

- Conducted an annual evaluation of the Group's internal controls, risk management process and financial compliance frameworks, confirming their continuing adequacy and effectiveness to the Board;
- Reviewed the operational effectiveness of the Group's anti-corruption policies, verifying employee training compliance and systemic safeguards against corporate bribery; and
- Supervised the channels established for employees and external stakeholders to anonymously raise concerns regarding potential financial or operational improprieties. The Committee confirms that all reported channels were reviewed during the Year with appropriate investigation protocols maintained.

During the Year, the Audit Committee met the Company's auditor three times.

The Group's unaudited consolidated quarterly results, unaudited consolidated interim results and audited consolidated annual results for the Year have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made. The Audit Committee has also reviewed the audited consolidated financial statements for the Year.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the Group's consolidated financial statements and the related notes thereto for the Year as set out in this announcement have been agreed by the Group's auditor, BDO Limited, as to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on this announcement.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed shares during the Year.

APPRECIATION

I would like to take this opportunity to express my appreciation to the Shareholders for their support, to the management and staff for their dedicated efforts to the Group and to our clients, consultants and partners for all their valuable assistance offered during this past year.

By order of the Board
Winfull Group Holdings Limited
PONG WILSON WAI SAN
Chairman

Hong Kong, 29 September 2026

As at the date of this announcement, the executive Directors are Mr. Pong Wilson Wai San and Mr. Lee Wing Yin, and the independent non-executive Directors are Mr. Koo Fook Sun Louis, Ms. Yeung Wing Yan Wendy and Mr. Liu Tsee Ming.