

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



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 2025**

### **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 2025 (the “Year”), together with the comparative figures for the year ended 30 June 2024:

# **CONSOLIDATED INCOME STATEMENT**

*For the year ended 30 June 2025*

|  |              | <b>2025</b>            | <b>2024</b>     |
|--|--------------|------------------------|-----------------|
|  | <i>Notes</i> | <i>HK\$'000</i>        | <i>HK\$'000</i> |
| Revenue  | 4            | <b>44,423</b>          | 41,118          |
| Other income   | 5            | <b>16,020</b>          | 16,884          |
| Cost of properties held for trading sold   |              | <b>(11,602)</b>        | (8,204)         |
| Write-down of properties held for trading  |              | <b>(5,150)</b>         | (25,249)        |
| Employee costs   |              | <b>(18,854)</b>        | (17,079)        |
| Exchange gain/(loss), net  |              | <b>7,607</b>           | (2,945)         |
| Depreciation of property, plant and equipment  |              | <b>(3,939)</b>         | (4,219)         |
| Professional and consulting fees   |              | <b>(4,060)</b>         | (3,584)         |
| Property management fees   |              | <b>(3,944)</b>         | (3,882)         |
| Other expenses   |              | <b>(11,088)</b>        | (9,207)         |
| Fair value loss on investment properties   |              | <b>(67,638)</b>        | (163,552)       |
| Fair value loss of equity instruments at<br>fair value through profit or loss ("FVTPL")            | 10           | <b>(1)</b>             | (4)             |
| Fair value loss of financial instruments at FVTPL  | 10           | <b>(5,746)</b>         | (6,460)         |
| Loss on disposal of debt instruments at fair value<br>through other comprehensive income ("FVOCI") |              | <b>(393)</b>           | (1,362)         |
| Loss allowance reversed/(recognised) on debt<br>instruments at FVOCI                               |              | <b>136</b>             | (3,062)         |
| Loss allowance on loan and interest receivables  |              | <b>(630)</b>           | (7,681)         |
| Impairment loss of property, plant and equipment   |              | <b>(5,025)</b>         | (36,168)        |
| Reversal of impairment on intangible assets  |              | <b>–</b>               | 965             |
| Gain on disposal of property, plant and equipment  |              | <b>133</b>             | 216             |
| Loss on disposal of intangible assets  |              | <b>(374)</b>           | –               |
| Finance costs  |              | <b>(8,932)</b>         | (8,470)         |
| <b>Loss before income tax</b>  | 6            | <b>(79,057)</b>        | (241,945)       |
| Income tax credit/(expense)  | 7            | <b>12,317</b>          | (216)           |
| <b>Loss for the year</b>   |              | <b>(66,740)</b>        | (242,161)       |
| <b>Loss for the year attributable to:</b>  |              |                        |                 |
| Owners of the Company  |              | <b>(66,562)</b>        | (241,948)       |
| Non-controlling interests  |              | <b>(178)</b>           | (213)           |
|  |              | <b>(66,740)</b>        | (242,161)       |
| <b>Loss per share</b>  | 9            |                        |                 |
| – Basic  |              | <b>HK(11.74) cents</b> | HK(42.68) cents |
| – Diluted  |              | <b>HK(11.74) cents</b> | HK(42.68) cents |

# **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the year ended 30 June 2025*

|   | <i>Notes</i> | <b>2025</b><br><b>HK\$'000</b> | 2024<br>HK\$'000 |
|---|--------------|--------------------------------|------------------|
| <b>Loss for the year</b>  |              | <b>(66,740)</b>                | (242,161)        |
| <b>Other comprehensive income for the year</b>                        |              |                                |                  |
| <i>Item that will not be reclassified to profit or loss:</i>          |              |                                |                  |
| Changes in fair value of equity instruments at FVOCI                  | 10           | <b>5,191</b>                   | 7,037            |
| <i>Items that may be reclassified subsequently to profit or loss:</i> |              |                                |                  |
| Changes in fair value of debt instruments at FVOCI                    | 10           | <b>(1,779)</b>                 | (415)            |
| Release of FVOCI reserve upon disposal of debt instruments at FVOCI   |              | <b>393</b>                     | 1,362            |
| Loss allowance (reversed)/recognised on debt instruments at FVOCI     |              | <b>(136)</b>                   | 3,062            |
| Exchange differences arising on translation of foreign operations     |              | <b>2,922</b>                   | (46)             |
| Exchange differences on financial assets at FVOCI                     |              | <b>814</b>                     | 54               |
| <b>Other comprehensive income for the year, net of tax</b>            |              | <b>7,405</b>                   | 11,054           |
| <b>Total comprehensive income for the year</b>                        |              | <b>(59,335)</b>                | (231,107)        |
| <b>Total comprehensive income for the year attributable to:</b>       |              |                                |                  |
| Owners of the Company   |              | <b>(59,157)</b>                | (230,894)        |
| Non-controlling interests   |              | <b>(178)</b>                   | (213)            |
|   |              | <b>(59,335)</b>                | (231,107)        |

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 30 June 2025*

|  | <i>Notes</i> | <b>2025</b><br><b>HK\$'000</b> | <b>2024</b><br><b>HK\$'000</b> |
|--|--------------|--------------------------------|--------------------------------|
| <b>ASSETS AND LIABILITIES</b>                          |              |                                |                                |
| <b>Non-current assets</b>                              |              |                                |                                |
| Property, plant and equipment                          |              | <b>99,019</b>                  | 99,389                         |
| Investment properties                                  |              | <b>613,426</b>                 | 670,728                        |
| Intangible assets                                      |              | <b>760</b>                     | 2,309                          |
| Interests in associate                                 |              | –                              | –                              |
| Prepayment   |              | –                              | 7,775                          |
| Loan and interest receivables                          |              | <b>32,628</b>                  | 19,691                         |
| Equity instruments at FVOCI                            | 10           | <b>49,870</b>                  | 43,865                         |
| Financial instruments at FVTPL                         | 10           | <b>448,238</b>                 | 364,215                        |
| Debt instruments at FVOCI                              | 10           | <b>54,900</b>                  | 63,059                         |
|  |              | <b>1,298,841</b>               | 1,271,031                      |
| <b>Current assets</b>                                  |              |                                |                                |
| Properties held for trading                            |              | <b>49,137</b>                  | 63,910                         |
| Trade receivables                                      | 11           | <b>2,922</b>                   | 2,219                          |
| Loan and interest receivables                          |              | <b>3,713</b>                   | 17,494                         |
| Prepayments, deposits and other receivables            |              | <b>5,991</b>                   | 4,122                          |
| Debt instruments at FVOCI                              | 10           | <b>36,137</b>                  | 22,053                         |
| Equity instruments at FVTPL                            | 10           | <b>15</b>                      | 16                             |
| Cash and bank balances                                 |              | <b>144,141</b>                 | 230,143                        |
| Pledged bank deposits                                  |              | <b>144,196</b>                 | 106,080                        |
|  |              | <b>386,252</b>                 | 446,037                        |
| <b>Current liabilities</b>                             |              |                                |                                |
| Accrued expenses, other payables and deposits received |              | <b>7,253</b>                   | 7,034                          |
| Borrowings   |              | <b>330,390</b>                 | 292,123                        |
| Amount due to non-controlling shareholder              |              | <b>2,521</b>                   | 2,312                          |
| Current tax liabilities                                |              | <b>10,743</b>                  | 23,968                         |
|  |              | <b>350,907</b>                 | 325,437                        |
| <b>Net current assets</b>                              |              | <b>35,345</b>                  | 120,600                        |
| <b>Total assets less current liabilities</b>           |              | <b>1,334,186</b>               | 1,391,631                      |

|   | 2025<br><i>HK\$'000</i> | 2024<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Non-current liabilities</b>                      |                         |                         |
| Deposits received                                   | 3,106                   | 1,656                   |
| Borrowings  | –                       | 470                     |
| Deferred tax liabilities                            | 4,463                   | 3,590                   |
|   | <u>7,569</u>            | <u>5,716</u>            |
| <b>Net assets</b>                                   | <u>1,326,617</u>        | <u>1,385,915</u>        |
| <b>EQUITY</b>                                       |                         |                         |
| Share capital                                       | 56,691                  | 56,691                  |
| Reserves  | 1,270,743               | 1,329,863               |
| <b>Equity attributable to owners of the Company</b> | <u>1,327,434</u>        | <u>1,386,554</u>        |
| <b>Non-controlling interests</b>                    | <u>(817)</u>            | <u>(639)</u>            |
| <b>Total equity</b>                                 | <u>1,326,617</u>        | <u>1,385,915</u>        |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

|  | Equity attributable to owners of the Company |                  |                     |                             |                |               |                    |                  | Non-controlling interests | Total equity     |
|--|--|------------------|---------------------|-----------------------------|----------------|---------------|--------------------|------------------|---------------------------|------------------|
|  | Share capital                                | Share premium    | Translation reserve | Share-based payment reserve | FVOCI reserve  | Other reserve | Accumulated losses | Total            |                           |                  |
|  | HK\$'000                                     | HK\$'000         | HK\$'000            | HK\$'000                    | HK\$'000       | HK\$'000      | HK\$'000           | HK\$'000         | HK\$'000                  | HK\$'000         |
| At 1 July 2023   | 56,691                                       | 1,572,570        | 1,506               | 11,405                      | (19,008)       | 1,121         | (6,916)            | 1,617,369        | (426)                     | 1,616,943        |
| Transfer upon lapse of share options                                   | –  | –                | –                   | (282)                       | –              | –             | 282                | –                | –                         | –                |
| Equity-settled share-based payments expenses                           | –  | –                | –                   | 79                          | –              | –             | –                  | 79               | –                         | 79               |
| <b>Transactions with owners</b>  | –  | –                | –                   | (203)                       | –              | –             | 282                | 79               | –                         | 79               |
| Loss for the year  | –  | –                | –                   | –                           | –              | –             | (241,948)          | (241,948)        | (213)                     | (242,161)        |
| Other comprehensive income:  |  |                  |                     |                             |                |               |                    |                  |                           |                  |
| Changes in fair value of equity instruments at FVOCI (Note 10)         | –  | –                | –                   | –                           | 7,037          | –             | –                  | 7,037            | –                         | 7,037            |
| Changes in fair value of debts instruments at FVOCI (Note 10)          | –  | –                | –                   | –                           | (415)          | –             | –                  | (415)            | –                         | (415)            |
| Release of FVOCI reserve upon disposals of debts instruments at FVOCI  | –  | –                | –                   | –                           | 1,362          | –             | –                  | 1,362            | –                         | 1,362            |
| Release of FVOCI reserve upon disposals of equity instruments at FVOCI | –  | –                | –                   | –                           | 36             | –             | (36)               | –                | –                         | –                |
| Loss allowance recognised on debt instruments at FVOCI                 | –  | –                | –                   | –                           | 3,062          | –             | –                  | 3,062            | –                         | 3,062            |
| Exchange differences arising on translation of foreign operations      | –  | –                | (46)                | –                           | –              | –             | –                  | (46)             | –                         | (46)             |
| Exchange differences on financial assets at FVOCI                      | –  | –                | –                   | –                           | 54             | –             | –                  | 54               | –                         | 54               |
| <b>Total comprehensive income for the year</b>                         | –  | –                | (46)                | –                           | 11,136         | –             | (241,984)          | (230,894)        | (213)                     | (231,107)        |
| <b>At 30 June 2024</b>   | <b>56,691</b>                                | <b>1,572,570</b> | <b>1,460</b>        | <b>11,202</b>               | <b>(7,872)</b> | <b>1,121</b>  | <b>(248,618)</b>   | <b>1,386,554</b> | <b>(639)</b>              | <b>1,385,915</b> |

| Equity attributable to owners of the Company                               |                                     |                                     |   |  |                                     |                                     |  |                          |   |                                    |
|--|-------------------------------------|-------------------------------------|---|--|-------------------------------------|-------------------------------------|--|--------------------------|---|------------------------------------|
|  | Share<br>capital<br><i>HK\$'000</i> | Share<br>premium<br><i>HK\$'000</i> | Translation<br>reserve<br><i>HK\$'000</i> | Share-<br>based<br>payment<br>reserve<br><i>HK\$'000</i> | FVOCI<br>reserve<br><i>HK\$'000</i> | Other<br>reserve<br><i>HK\$'000</i> | Accumulated<br>losses<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> | Non-<br>controlling<br>interests<br><i>HK\$'000</i> | Total<br>equity<br><i>HK\$'000</i> |
| 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 payments<br>expenses                            | -                                   | -                                   | -   | 37   | -                                   | -                                   | -  | 37                       | -   | 37                                 |
| <b>Transactions with owners</b>  | -                                   | -                                   | -   | (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<br>instruments at FVOCI ( <i>Note 10</i> ) | -                                   | -                                   | -   | -  | 5,191                               | -                                   | -  | 5,191                    | -   | 5,191                              |
| Changes in fair value of debts<br>instruments at FVOCI ( <i>Note 10</i> )  | -                                   | -                                   | -   | -  | (1,779)                             | -                                   | -  | (1,779)                  | -   | (1,779)                            |
| Release of FVOCI reserve upon disposals<br>of debts instruments at FVOCI   | -                                   | -                                   | -   | -  | 393                                 | -                                   | -  | 393                      | -   | 393                                |
| Loss allowance reversed on debt<br>instruments at FVOCI                    | -                                   | -                                   | -   | -  | (136)                               | -                                   | -  | (136)                    | -   | (136)                              |
| Exchange differences arising on<br>translation of foreign operations       | -                                   | -                                   | 2,922                                     | -  | -                                   | -                                   | -  | 2,922                    | -   | 2,922                              |
| Exchange differences on financial assets<br>at FVOCI                       | -                                   | -                                   | -   | -  | 814                                 | -                                   | -  | 814                      | -   | 814                                |
| <b>Total comprehensive income<br/>for the year</b>                         | -                                   | -                                   | 2,922                                     | -  | 4,483                               | -                                   | (66,562)                                 | (59,157)                 | (178)   | (59,335)                           |
| <b>At 30 June 2025</b>   | <b>56,691</b>                       | <b>1,572,570</b>                    | <b>4,382</b>                              | <b>8,631</b>   | <b>(3,389)</b>                      | <b>1,121</b>                        | <b>(312,572)</b>                         | <b>1,327,434</b>         | <b>(817)</b>  | <b>1,326,617</b>                   |

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 2025*

## 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 its ultimate holding company is Virtue Partner Group Limited, a company incorporated in the British Virgin Island (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 2024

In the current year, the Group has applied for the first time the following new standards and amendments issued by the HKICPA, which are effective for the Group's consolidated financial statements for the annual period beginning on 1 July 2024:

|                                      |   |
|--------------------------------------|---|
| Amendments to HKAS 1                 | Classification of Liabilities as Current or Non-Current   |
| Amendments to HKAS 1                 | Non-current Liabilities with Covenants  |
| Hong Kong Interpretation 5 (Revised) | Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause |
| Amendments to HKAS 7 and HKFRS 7     | Supplier Finance Arrangements   |
| Amendments to HKFRS 16               | Lease Liability in a Sale and Leaseback   |

### 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 of the Group's consolidated financial statements.

|  |   |
|--|---|
| Amendments to HKAS 21 and HKFRS 1                            | Lack of Exchangeability <sup>1</sup>  |
| Amendments to HKFRS 9 and HKFRS 7                            | Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>  |
| Amendments to HKFRS 9 and HKFRS 7                            | Contracts Referencing Nature-dependent Electricity <sup>2</sup>   |
| Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 | Annual Improvements to HKFRS Accounting Standards – Volume II <sup>2</sup>  |
| HKFRS 18   | Presentation and Disclosure in Financial Statements <sup>3</sup>  |
| HKFRS 19   | Subsidiaries without Public Accountability: Disclosures <sup>3</sup>  |
| Amendments to Hong Kong Interpretation 5                     | Presentation of Financial Statements – Classification by Borrower of a Term Loan that Contain a Repayment on Demand Clause <sup>3</sup> |
| Amendments to HKFRS 10 and HKAS 28                           | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>                                      |

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

<sup>4</sup> 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 the above, the Group does not anticipate that the application of the new standards and amendments 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 (2024: 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 (2024: Nil).

|   | 2025  |   |   |   |                   |
|---|---|---|---|---|-------------------|
|   | Property<br>Development<br>Business<br>HK\$'000 | Property<br>Investment<br>and Trading<br>Business<br>HK\$'000 | Security<br>Investment<br>and Trading<br>Business<br>HK\$'000 | Loan<br>Financing<br>Business<br>HK\$'000 | Total<br>HK\$'000 |
| Reportable segment revenue:                               |   |   |   |   |                   |
| From external customers                                   | <u>11,593</u>                                   | <u>22,607</u>   | <u>5,286</u>  | <u>4,937</u>                              | <u>44,423</u>     |
| Reportable segment (loss)/profit                          | <u>(1,166)</u>                                  | <u>(55,640)</u>   | <u>(8,855)</u>  | <u>4,288</u>                              | <u>(61,373)</u>   |
| 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<br>at FVOCI   | –   | –   | 136   | –   | 136               |
| Loss allowance 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                            | <u>10,508</u>                                   | <u>13,679</u>   | <u>801</u>  | <u>13</u>                                 | <u>25,001</u>     |
|   |   |   |   |   |                   |
|   | 2024  |   |   |   |                   |
|   | Property<br>Development<br>Business<br>HK\$'000 | Property<br>Investment<br>and Trading<br>Business<br>HK\$'000 | Security<br>Investment<br>and Trading<br>Business<br>HK\$'000 | Loan<br>Financing<br>Business<br>HK\$'000 | Total<br>HK\$'000 |
| Reportable segment revenue:                               |   |   |   |   |                   |
| From external customers                                   | <u>7,662</u>                                    | <u>21,642</u>   | <u>6,814</u>  | <u>5,000</u>                              | <u>41,118</u>     |
| Reportable segment loss                                   | <u>(693)</u>                                    | <u>(171,030)</u>  | <u>(10,345)</u>   | <u>(2,696)</u>                            | <u>(184,764)</u>  |
| Fair value loss on investment properties                  | –   | (163,552)   | –   | –   | (163,552)         |
| Fair value loss of equity instruments at FVTPL            | –   | –   | (4)   | –   | (4)               |
| Fair value loss of financial instruments at FVTPL         | –   | –   | (6,460)   | –   | (6,460)           |
| Reversal of impairment on intangible assets               | –   | –   | 965   | –   | 965               |
| Write-down of properties held for trading                 | (1,069)   | (24,180)  | –   | –   | (25,249)          |
| Loss allowance recognised on debt instruments at<br>FVOCI | –   | –   | (3,062)   | –   | (3,062)           |
| Loss allowance on loan and interest receivables           | –   | –   | –   | (7,681)                                   | (7,681)           |
| Income tax expense  | –   | (216)   | –   | –   | (216)             |
| Reportable segment assets                                 | 25,028  | 733,031   | 505,963   | 37,295                                    | 1,301,317         |
| Additions to non-current assets                           | –   | –   | 9,189   | –   | 9,189             |
| Reportable segment liabilities                            | <u>24,232</u>                                   | <u>11,430</u>   | <u>491</u>  | <u>13</u>                                 | <u>36,166</u>     |

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:

|  | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
|--|------------------|------------------|
| <b>Revenue</b>                                   |                  |                  |
| Reportable segment revenue                       | 44,423           | 41,118           |
| Consolidated revenue                             | <u>44,423</u>    | <u>41,118</u>    |
| <b>Loss before income tax</b>                    |                  |                  |
| Reportable segment loss                          | (61,373)         | (184,764)        |
| Bank interest income                             | 13,168           | 12,614           |
| Exchange gain/(loss), net                        | 7,607            | (2,945)          |
| Depreciation                                     | (3,939)          | (4,219)          |
| Impairment loss of property, plant and equipment | (5,025)          | (36,168)         |
| Corporate employee costs                         | (18,854)         | (17,079)         |
| Corporate professional and consulting fees       | (2,368)          | (1,895)          |
| Interest for bank borrowings                     | (8,932)          | (8,470)          |
| Unallocated corporate income                     | 727              | 1,048            |
| Unallocated corporate expenses                   | (68)             | (67)             |
| Consolidated loss before income tax              | <u>(79,057)</u>  | <u>(241,945)</u> |
| <b>Assets</b>                                    |                  |                  |
| Reportable segment assets                        | 1,315,358        | 1,301,317        |
| Property, plant and equipment                    | 99,019           | 99,389           |
| Corporate pledged bank deposits                  | 144,196          | 106,080          |
| Corporate time deposits                          | 126,512          | 210,269          |
| Other corporate assets                           | 8                | 13               |
| Consolidated total assets                        | <u>1,685,093</u> | <u>1,717,068</u> |
| <b>Liabilities</b>                               |                  |                  |
| Reportable segment liabilities                   | 25,001           | 36,166           |
| Corporate bank borrowings                        | 330,390          | 292,593          |
| Other corporate liabilities                      | 3,085            | 2,394            |
| Consolidated total liabilities                   | <u>358,476</u>   | <u>331,153</u>   |

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<br>external customers |                  | Non-current assets |                  |
|-----------|------------------------------------|------------------|--------------------|------------------|
|           | 2025<br>HK\$'000                   | 2024<br>HK\$'000 | 2025<br>HK\$'000   | 2024<br>HK\$'000 |
| Hong Kong | 25,489                             | 27,404           | 618,179            | 694,773          |
| UK        | 15,749                             | 10,535           | 57,134             | 54,373           |
| Japan     | 3,185                              | 3,179            | 37,892             | 31,055           |
|           | <u>44,423</u>                      | <u>41,118</u>    | <u>713,205</u>     | <u>780,201</u>   |

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 2025, there was neither revenue from external customers attributable to the Cayman Islands (domicile) (2024: Nil) nor non-current assets were located in the Cayman Islands (2024: Nil). The country of domicile is the country where the Company is incorporated. During the year ended 30 June 2025, 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         |               |
|---|-------------------------------|--------------|--|---------------|--|--------------|-------------------------|--------------|---------------|---------------|
|   | 2025                          | 2024         | 2025                                     | 2024          | 2025                                     | 2024         | 2025                    | 2024         | 2025          | 2024          |
|   | 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                               | 11,593                        | 7,662        | -  | -             | -  | -            | -                       | -            | 11,593        | 7,662         |
| Revenue from leasing  | -                             | -            | 22,607                                   | 21,642        | -  | -            | -                       | -            | 22,607        | 21,642        |
| Revenue from other sources  | -                             | -            | -  | -             | 5,286                                    | 6,814        | 4,937                   | 5,000        | 10,223        | 11,814        |
|   | <u>11,593</u>                 | <u>7,662</u> | <u>22,607</u>                            | <u>21,642</u> | <u>5,286</u>                             | <u>6,814</u> | <u>4,937</u>            | <u>5,000</u> | <u>44,423</u> | <u>41,118</u> |

#### 4. REVENUE

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

|  | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
|--|------------------|------------------|
| <b>Revenue from contracts with customers</b> |                  |                  |
| – Sale of properties held for trading        | 11,593           | 7,662            |
| <b>Revenue from leasing</b>                  |                  |                  |
| – Rental income from investment properties   | 22,607           | 21,642           |
| <b>Revenue from other sources</b>            |                  |                  |
| – Dividend income from securities            | 839              | 2,602            |
| – Interest income from securities            | 4,447            | 4,212            |
| – Interest income from loan financing        | 4,937            | 5,000            |
|  | <u>44,423</u>    | <u>41,118</u>    |

#### 5. OTHER INCOME

|  | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
|--|------------------|------------------|
| Bank interest income                           | 13,168           | 12,614           |
| Rental income from properties held for trading | 2,125            | 3,222            |
| Sundry income                                  | 727              | 1,048            |
|  | <u>16,020</u>    | <u>16,884</u>    |

## 6. LOSS BEFORE INCOME TAX

|  | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
|--|------------------|------------------|
| Loss before income tax is arrived at after charging the following: |                  |                  |
| Auditor's remuneration   | 620              | 680              |
| Depreciation of property, plant and equipment                      |                  |                  |
| – owned assets   | 1,964            | 1,425            |
| – right-of-use assets included within leasehold properties         | 1,975            | 2,794            |
|  | <u>3,939</u>     | <u>4,219</u>     |
| Direct operating expenses arising from investment properties that  |                  |                  |
| – generated rental income  | 5,543            | 4,815            |
| – did not generate rental income                                   | 450              | 448              |
|  | <u>5,993</u>     | <u>5,263</u>     |

## 7. INCOME TAX (CREDIT)/EXPENSE

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying group entities in Hong Kong is taxed at 8.25%, and profits above HK\$2 million is 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:

|  | 2025<br>HK\$'000 | 2024<br>HK\$'000 |
|--|------------------|------------------|
| <b>Current tax – Hong Kong</b>           |                  |                  |
| Over-provision in respect of prior years | (13,661)         | –                |
| <b>Current tax – Overseas</b>            | 471              | –                |
| <b>Deferred tax</b>                      | 873              | 216              |
| <b>Total income tax (credit)/expense</b> | <u>(12,317)</u>  | <u>216</u>       |

## 8. DIVIDENDS

For the years ended 30 June 2025 and 2024, 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:

|   | 2025<br>HK\$'000        | 2024<br>HK\$'000 |
|---|-------------------------|------------------|
| Loss for year attributable to owners of the Company   | <u>(66,562)</u>         | <u>(241,948)</u> |
|   | <b>Number of shares</b> |                  |
|   | 2025<br>'000            | 2024<br>'000     |
| Weighted average number of ordinary shares for the purpose of<br>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 2025 and 2024 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 |                  |
|-------------------------------------|--------------------------|------------------|-------------------|------------------|
|                                     | 2025<br>HK\$'000         | 2024<br>HK\$'000 | 2025<br>HK\$'000  | 2024<br>HK\$'000 |
| <b>Non-current</b>                  |                          |                  |                   |                  |
| Equity instruments                  |                          |                  |                   |                  |
| – Listed in Hong Kong*              | 2,026                    | 1,536            | –                 | –                |
| – Listed outside Hong Kong*         | <u>47,844</u>            | <u>42,329</u>    | <u>–</u>          | <u>–</u>         |
|                                     | <u>49,870</u>            | <u>43,865</u>    | <u>–</u>          | <u>–</u>         |
| Financial instruments               |                          |                  |                   |                  |
| – Unlisted investments <sup>#</sup> | <u>–</u>                 | <u>–</u>         | <u>448,238</u>    | <u>364,215</u>   |
|                                     | <u>–</u>                 | <u>–</u>         | <u>448,238</u>    | <u>364,215</u>   |
| Debt instruments                    |                          |                  |                   |                  |
| – Listed in Hong Kong*              | <u>54,900</u>            | <u>63,059</u>    | <u>–</u>          | <u>–</u>         |
|                                     | <u>54,900</u>            | <u>63,059</u>    | <u>–</u>          | <u>–</u>         |
|                                     | <u>104,770</u>           | <u>106,924</u>   | <u>448,238</u>    | <u>364,215</u>   |
| <b>Current</b>                      |                          |                  |                   |                  |
| Equity instruments                  |                          |                  |                   |                  |
| – Listed outside Hong Kong*         | <u>–</u>                 | <u>–</u>         | <u>15</u>         | <u>16</u>        |
|                                     | <u>–</u>                 | <u>–</u>         | <u>15</u>         | <u>16</u>        |
| Debt instruments                    |                          |                  |                   |                  |
| – Listed in Hong Kong*              | <u>36,137</u>            | <u>22,053</u>    | <u>–</u>          | <u>–</u>         |
|                                     | <u>36,137</u>            | <u>22,053</u>    | <u>–</u>          | <u>–</u>         |
|                                     | <u>36,137</u>            | <u>22,053</u>    | <u>15</u>         | <u>16</u>        |

- \* These financial assets are measured at fair value which has been determined directly by reference to published price and quotations in active markets (2024: same).
- # Among these financial assets, amount of HK\$227,688,000 (2024: HK\$155,086,000) is measured at fair value which has been determined directly by reference to published price and quotations in markets that are not active and amount of HK\$220,550,000 (2024: HK\$209,129,000) 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 (2024: 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<br>at FVOCI |                  | Debt instruments<br>at FVOCI |                  | Equity instruments<br>at FVTPL |                  | Financial instruments<br>at FVTPL |                  |
|--|--------------------------------|------------------|------------------------------|------------------|--------------------------------|------------------|-----------------------------------|------------------|
|  | 2025<br>HK\$'000               | 2024<br>HK\$'000 | 2025<br>HK\$'000             | 2024<br>HK\$'000 | 2025<br>HK\$'000               | 2024<br>HK\$'000 | 2025<br>HK\$'000                  | 2024<br>HK\$'000 |
| Carrying amount at beginning of the year                               | 43,865                         | 37,635           | 85,112                       | 82,228           | 16                             | 20               | 364,215                           | 350,571          |
| Additions  | -                              | -                | 38,914                       | 36,292           | -                              | -                | 101,442                           | 126,611          |
| Disposals  | -                              | (920)            | (32,041)                     | (32,934)         | -                              | -                | (20,772)                          | (106,507)        |
| Changes in fair value charged to profit or loss                        | -                              | -                | -                            | -                | (1)                            | (4)              | (5,746)                           | (6,460)          |
| Changes in fair value credited/(charged) to other comprehensive income | 5,191                          | 7,037            | (1,779)                      | (415)            | -                              | -                | -                                 | -                |
| Exchange difference  | 814                            | 113              | 831                          | (59)             | -                              | -                | 9,099                             | -                |
| Carrying amount at end of the year                                     | 49,870                         | 43,865           | 91,037                       | 85,112           | 15                             | 16               | 448,238                           | 364,215          |

At 30 June 2025 and 2024, debt instruments measured at FVOCI were determined to be impaired when debt instruments are expected to be irrecoverable.



## **11. TRADE RECEIVABLES**

The Group generally allowed a credit period of 1 month (2024: 1 month) to its trade customers.

Based on the invoice dates, all trade receivables as at 30 June 2025 and 2024 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 2025 and 2024.

Based on the due dates, no trade receivables as at 30 June 2025 and 2024 were past due nor credit-impaired.

At 30 June 2025 and 2024, 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 the 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 on 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 was engaged in one property development project in the United Kingdom (the “UK”). The Group also has ten investment properties, which are commercial, industrial properties and residential properties located in Hong Kong, the UK and Japan, and two trading properties, which are commercial properties in Hong Kong.

The Hong Kong economy continued to expand modestly in 2025, supported by improved exports performance and domestic demand, with Real Gross Domestic Product (GDP) growing by 3.1% compared to a year earlier. Private consumption showed some stabilisation in the second quarter of 2025, following a year of subdued performance amid the ongoing changes in residents’ consumption patterns. The global economy showed signs of resilience in the second quarter of 2025 despite ongoing uncertainties in the trade policy of the US.

However, the property market in Hong Kong has been, to a large extent, adversely affected by the external uncertainties in recent years, from US trade and monetary policies and shifts in local and visitor consumption patterns. According to the Land Registry of Hong Kong, the total number of sale and purchase agreements for residential property received by Land Registry retreated by 7% from a year ago to approximately 16,574, reflecting cautious market sentiment towards the residential property market. Overall flat prices held stable. The residential property market showed some stabilisation in the second quarter of 2025. Market sentiment continued to improve gradually, particularly after the sharp declines in the Hong Kong Interbank Offered Rates in May which subsequently lowered mortgage rates.

Meanwhile, the non-residential property market remained weak in 2025. Compared with the respective peaks in 2018 and 2019, prices and rentals in June 2025 for Grade A office space on average were 48% and 20% lower, and prices and rentals in June 2025 for retail shop space were 39% and 18% lower. The average rental yields of overall office space and Grade A office space rose further to 4.0% and 3.6% in June from 3.8% and 3.5% in March respectively, primarily due to further decrease in prices.

Prices of retail shop space continued to declined during the Year, while rentals remained stable. Compared with the respective peaks in 2018 and 2019, prices and rentals in June were 39% and 18% lower. The average rental yield was approximately 3.4% in June. Similarly, prices of flatted factory space also decreased during the Year, while rentals experiencing minimal unchanged. In comparison with the respective peaks in 2019 and 2023, prices and rentals in June were 32% and 5% lower. The average rental yield was approximately 4.0% in June.

In the meantime, the global property market has also been sluggish. In the UK, for example, increasing costs of living and the high inflation rate contributed to a house price index of the UK of 103 in May 2025, which is approximately 15% lower than the same in May 2019, whilst the monthly property transactions statistics published by the HMRC indicated that the non-residential property transactions in June 2025 was approximately 8% less than the same in June 2021. These figures indicate that buyers remain cautious with both residential property market and non-residential property market in the UK.

Amid these challenges, similar to many of its industry peers, the performance of the core property related business has been temporarily impacted. Nevertheless, diversifying the investment property portfolio of the Group has always been a key element of the Group's overall investment strategy, providing flexibility to balance risk and opportunity across multiple avenues. To mitigate the risk exposure caused by direct property investment, the Group has been investing in properties through its investments in structured products, such as private equity funds and co-investment with underlying real estate assets, including lands and properties from Japan, the UK, Germany, China (commercial properties), Cambodia and the United States of America.

Notwithstanding the complicated and unstable local and external environment, measures have been taken by governments with an attempt to stimulate the property markets. The Hong Kong Government, for instance, relaxed the standardised loan-to-value and debt-servicing ratio limits to 70% and 50% respectively for residential and non-residential properties in the 2024 Policy Address, aiming to bring some stabilization to Hong Kong property market.

## **FINANCIAL REVIEW**

For the Year, the Group recorded a turnover of approximately HK\$44,423,000, representing an increase of approximately 8.0% compared with that of approximately HK\$41,118,000 for the last financial year. The increase in turnover was mainly attributed to the increase in turnover from property development business for the Year.

Loss before income tax of the Group for the Year was approximately HK\$79,057,000, representing an decrease of approximately 67.3% comparing with that of approximately HK\$241,945,000 for the last financial year. The loss for the Year was mainly attributable to fair value loss on investment properties, write-down of properties held for trading and impairment loss of property, plant and equipment.

## **BUSINESS OVERVIEW**

### **Property Development Business**

During the Year, the Group is engaged in one property development project, which is located in Birmingham, the UK.

It is a property development project at School Road, Moseley, Birmingham, the UK (the “UK Property Project”) The project has a site area of 15,800 square feet and it can be developed into a residential building with gross floor area of approximately 12,000 square feet and fourteen apartments. The acquisition of the land was completed on 26 October 2018. Because of the pandemic, the development has been delayed and was completed in November 2021. A local agent has been appointed for selling and leasing of the apartments.

The cost of living and the high local interest rate continue to have a knock-on effect on the housing market in Birmingham and the selling of our development project too. Renters are more cautious about their housing choices, often opting for more budget-friendly option. There is also a noticeable shift in where people want to live and many people are now choosing to live in city centers rather than suburban.

One unit has been leased to an independent third party as at 30 June 2025, while ten units have been sold to independent third parties up to 30 June 2025 with four units being sold during the Year. The Group is intending to sell all the units of the UK Property Project, and hoping to source new property development project thereafter as and when appropriate.

The Group considers that the UK Property Project provides a good opportunity for the Group to diversify its overall property portfolio and gain more experience in property development in the UK. Meanwhile, the Group has also been maintaining constant discussion with receiving regular updates from the property agents, landowners and banks, etc. The Group will maintain a cautiously optimistic view on current markets in both Hong Kong and the UK, adopting a prudent approach to explore potential property development opportunities both in Hong Kong and overseas, to enhance the benefit of the shareholders of the Company (the “Shareholder(s)”) while overcoming the challenges ahead.

### **Property Investment and Trading**

As at 30 June 2025, the Group has eleven commercial, industrial and residential properties for investment and trading purposes, which are mainly in Hong Kong, one commercial property in Cardiff, the UK and two serviced apartments in Hokkaido, Japan, for investment purpose.

During the Year, the Group recorded a fair value loss on investment properties of approximately HK\$67,638,000 (2024: approximately HK\$163,552,000) and a write-down of properties held for trading of approximately HK\$5,150,000 (2024: approximately HK\$25,249,000). The fair value loss on investment properties is mainly due to the fair value loss on the retail shop units at Grand Scholar, No. 419K Queen’s Road west, Hong Kong and the commercial office properties at Far East Consortium Building and 9 Queen’s Road Central in Hong Kong. The write-down of properties held for trading is mainly due to the write-down of the shops and signages at Lime Stardom in Hong Kong.

#### *Whole floor of 9 Queen's Road central*

The property is located at the 6th Floor of 9 Queen's Road central, Hong Kong. It is a 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. The Group believes that the property can provide a stable income with the long-term appreciation in value.

As at 30 June 2025, a fair value loss for this investment property of approximately HK\$13,000,000 (2024: fair value gain of approximately HK\$117,900,000) has 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 1 year 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.

#### *Retail Shop Units at Grand Scholar, No. 419K Queen's Road west*

The property is located at Grand Scholar, No. 419K Queen's Road west, Hong Kong. It consists of two shops, including shops on ground floor and on lower ground 1st floor. The property has a total gross floor area of approximately 10,300 square feet and has been leased to a church for a fixed term of three years. The Group believes that the property can provide a stable income for the Group.

As at 30 June 2025, a fair value loss for this investment property of approximately HK\$24,200,000 (2024: fair value loss of approximately HK\$400,000) has been recognised. The shops were 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 shops 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. Considering that retail shop values are relatively more susceptible to economic cycles and can vary substantially due to locational factors such as trade mix and pedestrian flow. The transaction dates of the comparables adopted in the valuation were all within 1 year from the valuation date as well they are all similar retail shops located within a radius of approximately 1 kilometer to the subject properties. In this connection, priority should be given to the market approach to ensure the accuracy of the valuation.

*Whole floor of Kenning Industrial Building at 19 Wang Ho Road, Kowloon Bay*

The property is located at 4th Floor of Kenning Industrial Building, No. 19 Wang Hoi Road, Kowloon Bay, Hong Kong In proximity to the Kowloon Bay MTR station. The property has a total gross floor area of approximately 16,500 square feet and all units of the property have been leased during the Year. The Group believes that the property can provide a stable income with long-term appreciation in value.

As at 30 June 2025, a fair value loss for this investment property of approximately HK\$4,500,000 (2024 approximately HK\$21,700,000) has been recognised. The property is also 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.

*Atlantic House in Cardiff, United Kingdom*

The property is located in Cardiff, the UK with a total net floor area of approximately 41,000 square feet. The property consists of two office buildings. The east wing is currently leased to a local law firm for an extended term of twenty years, which will be expired in 2031. The refurbishment of west wing was completed in January 2022 and it is designed for multi-let purpose. A local agent has been appointed for leasing of the west wing and 40% of the floor area has been leased as at 30 June 2025.

During the Year, Cardiff office market has demonstrated resilience in the face of market polarization, despite ongoing macroeconomic uncertainties and local challenges. Occupiers continue to prioritize high-quality spaces with extensive amenities for their staff. Unrenovated offices or those situated outside prime locations are encountering difficulties and may undergo repurposing for alternative uses. Prime rents have largely held steady over the year. However, the market is witnessing a rise in the overall vacancy rate due to a notable influx of secondhand spaces returning to the market, exerting pressure on rents in the upcoming period.

Location remains a crucial factor for many occupiers, especially in the post-COVID era where the demand for smaller, superior quality spaces has intensified. The preference for central locations near transportation hubs remains strong. The recent renovation of Atlantic House offers a compelling option that meets these criteria.

A fair value loss for this investment property of approximately HK\$3,466,000 (2024: approximately HK\$556,000) has been recognised as at 30 June 2025. This property is also valued by market approach, where a comparison based on prices realised on the actual sales of en-bloc office comparable in Cardiff is made, with due adjustments on micro factors, such as size, building age, location and transacted dates, and with reference to Financial Time Stock Exchange UK Office Index. The valuation methodologies of the property are the same as that of previous years.

Cardiff is the principal office market within Wales and one of the major regional centres in the UK. The Group believes that it was a good opportunity for holding the property for long-term investment purpose and diversification of the property portfolio.



### *Office units and carpark space of Universal Trade Centre at 3 Arbuthnot Road*

The 3 office units are located on 30th floor of Universal Trade Centre, No. 3 Arbuthnot Road, Central, Hong Kong. They have a total gross floor area of approximately 4,100 square feet. These three office units are now looking for new tenants.

### *Office unit of Arion commercial Centre at 2-12 Queen's Road West*

The property is located at Arion commercial Centre at 2-12 Queen's Road West, Hong Kong and has a gross floor area of approximately 1,650 square feet. This office unit has been leased to a translation company, which is wholly owned by Mr. Pong Wilson Wai San ("Mr. Pong"), with monthly rent of HK\$42,000. The monthly rent has been adjusted to HK\$38,800 from 1 July 2025. 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 our announcement on 11 June 2025.

### *Whole office floor of Far East consortium Building at 121 Des Voeux Road Central*

The property is a whole floor office unit located on 15th Floor of Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong, which is an office building in Central district, with a gross floor area of approximately 7,300 square feet. This property has been leased to a financial printing company which is wholly owned by Mr. Pong with monthly rent of HK\$224,000. 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 our announcement on 16 August 2024.

As at 30 June 2025, a fair value loss for this investment property of approximately HK\$18,000,000 (2024: approximately HK\$7,000,000) has been recognised. Similar to the commercial office at 9 Queen's Road Central, Hong Kong, the property is valued by market approach, where the comparison is based on prices realised on the actual sales of comparable properties. The valuation methodologies of the property are the same as that of previous years. Commercial office value is relatively 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 1 year from the valuation date as well as 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.

### *Roof of Block c of Sea View Estate, North Point*

This property is located 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. The Group believes that it can be converted into an eye-catching rooftop advertising signage of approximately 300 square meters. The Group has engaged an advertising agent in looking for potential tenants of the signage.

### *Shops and signages at Lime Stardom, Tai Kok Tsui*

Two retail shops and two signages were acquired by the Group for trading purpose. The shops are located on the ground floor at Lime stardom, Tai Kok Tsui with outstanding feature, such as curtain wall design and high ceiling. Hotels and shopping malls are within the proximity, together with the new redevelopment and residential projects in the neighborhood. Those properties are acquired for short-term trading purpose in 2017. The shops have been leased to independent third parties with acceptable yield. However, prices and rentals of retail shop decreased amid the continued weakness in the retail trade in these few years due to the changing spending habits of Mainland visitors and weekend activities of the Hongkongers, which led to the steepest decline in the private consumption expenditure and inbound tourism in the recent years. A write-down on properties held for trading of approximately HK\$4,388,000 (2024: approximately HK\$24,180,000) has been recognised for the Year.

On 16 July 2025, the Group entered into a provisional agreement for sale and purchase with an independent third party as purchaser to sell the said two retail shops and two signages at the consideration of HK\$38,000,000. As at the date of this announcement, a deposit of HK\$3,800,000 has been paid to the Group, whilst the outstanding balance of HK\$34,200,000 will be paid to the Group on completion date, initially 10 October 2025.

### *Serviced Apartments in Hokkaido, Japan*

Two serviced apartments in Niseko, Hokkaido, Japan, were acquired by the Group. One of the apartments is in Skye Niseko at Upper Hirafu village, while the other is in Hanazono. Both of them are brand new serviced apartments with ski-in ski-out access to ski resorts and full range of hotel services. They are managed by premier asset managers with expertise and experience in effectively managing hospitality and tourism in Niseko. We expect the inbound tourism in Japan is increasing in the long run and there are garnering Japan and international interest for Niseko's ski resort. The Group believes that it is a good opportunity for investing in Japan real estate for long-term investment and diversification of the property portfolio.

The Group is optimistic about the prospect of the commercial, industrial and residential property market in Hong Kong, the UK and Japan in the long run. It considers that the properties represent a good investment opportunity and the Group will benefit from the long-term appreciation of the property prices.

During the Year, the Group recorded a total rental income of approximately HK\$24,348,000 (2024: approximately HK\$23,586,000) from property investment and trading business, including revenue of approximately HK\$22,607,000 (2024: approximately HK \$21,642,000) and other income of approximately HK\$1,741,000 (2024 approximately HK\$1,944,000). This rental income is expected to provide as significant and steady income source to the Group.



## Securities Investment and Trading

The Group maintains a portfolio of stocks 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.

A significant portion of its investments, totalling approximately HK\$163,276,000 (2024: approximately HK\$160,238,000) as at 30 June 2025, are property-related financial instruments. These investments, primarily in unlisted structured products, including 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, are integral to the Group's core Property Investment and Trading Business and Property Development Business. 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 addition, the Group have also subscribed for certain investment saving plans with favourable terms which help generate stable and guaranteed returns, contributing to financial stability of the Group as a whole.

During the Year, the Group recorded a net loss in fair value of the investments portfolio in this segment of approximately HK\$2,335,000 (2024: net gain of approximately HK\$1,123,000).

The Group reported a segment loss of approximately HK\$8,855,000 (2024: approximately HK\$10,345,000) during the Year. The Group received investment income from investment portfolio for this segment of approximately HK\$5,286,000 (2024: approximately HK\$6,814,000) during the Year. As at 30 June 2025, the carrying amount of the investments in this segment amounted to approximately HK\$589,920,000 (2024: approximately HK\$495,517,000). This value represents an investment portfolio comprising equity instruments, debt instruments, financial instruments and cryptocurrencies.

Under this segment, the business' significant investments held for investment and for trading as at 30 June 2025 were as below–

|                       | Cost as at<br>30 June<br>2025<br>HK\$'000 | Carrying<br>amount<br>as at<br>30 June<br>2025<br>HK\$'000 | Gain/(Loss)<br>in fair value<br>during<br>the Year<br>HK\$'000 | Loss<br>on disposal<br>during<br>the Year<br>HK\$'000 | Dividends/<br>Interests<br>received/<br>receivable<br>during<br>the Year<br>HK\$'000 |
|-----------------------|---|--|--|---|--|
| <i>NON-CURRENT</i>    |   |  |  |   |  |
| Financial instruments | 545,105                                   | 448,238  | (5,746)  | –   | 423  |
| Equity instruments    | 46,093                                    | 49,870   | 5,191  | –   | 401  |
| Debt instruments      | 64,213                                    | 54,900   | (2,148)  | (436)   | 3,291  |
| Intangible assets     | 760                                       | 760  | –  | (374)   | –  |
| <i>CURRENT</i>        |   |  |  |   |  |
| Equity instruments    | 17  | 15   | (1)  | –   | –  |
| Debt instruments      | 39,219                                    | 36,137   | 369  | 43  | 1,171  |

### Loan Financing

During the Year, the Group recorded an interest income from the loan financing business amounting to approximately HK\$4,937,000 (2024: approximately HK\$5,000,000), representing approximately 11.1% (2024: approximately 12.2%) of the total revenue of the Group. Profit derived from loan financing business was approximately HK\$4,288,000 for the Year (2024: loss of approximately HK\$2,696,000). Interest income from loan financing business maintain stable for the Year. Profit derived from loan financing business was mainly attributed to reversal of loss allowance on loan and interest receivables of approximately HK\$5,544,000 during for the Year due to loan repayment.

The carrying amount of loan and interest receivables for loan financing business as at 30 June 2025 was approximately HK\$36,341,000 (2024: approximately HK\$37,185,000) which is mainly 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. The largest borrower of the Group itself accounted for approximately 43% (2024: 49%) of the Group's loan and interest receivables before loss allowance at 30 June 2025.

The Group's loan portfolio consists of five loans extended to five corporate borrowers. Two of these are secured commercial loans, while the remaining three are unsecured loans provided to special purpose vehicles of three property-related private equity funds in which the Group is also an investor.

In particular, one of the secured commercial loans was given to a borrower principally engaged in the provision of student loans through its online platform for lending services. Under the loan agreement, the Group has the right to convert the outstanding principal into up to 6,000,000 ordinary shares of the borrower (equivalent to up to approximately 25% of the entire issued share capital of the borrower), which provides a potential opportunity for the Group to participate in the student loan market. Please refer to the announcements of the Company dated 3 May 2022, 16 October 2024, 8 November 2024, 15 January 2025, 14 May 2025 and 24 July 2025, respectively, for detailed terms of the loan.

All loan receivables during the Year are fixed rate loans. The interest rate on those fixed rate loan receivables was ranged from 8% to 22.5% (2024: ranged from of 3.33% to 20%) per annum.

Set out below is the summary of the top three borrowers of the loan financing business as at 30 June 2025 arranged in descending order of their respective carrying amounts:

| Borrower            | Type      | Term of loan<br>Months | Matured<br><Yes/No> | Interest rate<br>per annum | Collateral<br><Yes/No> | Carrying amount of loan and interest receivables<br>HK\$'000 | Proportion of the Group's total loan and interest receivables<br>% |
|---------------------|-----------|------------------------|---------------------|----------------------------|------------------------|--|--|
| Borrower A (Note 1) | Corporate | 36                     | No                  | 8%                         | Yes                    | 19,537   | 54%  |
| Borrower B (Note 2) | Corporate | 24                     | No                  | 12%                        | Yes                    | 7,056  | 20%  |
| Borrower C (Note 3) | Corporate | (Note 3)               | No                  | 20%                        | No                     | 4,322  | 12%  |
|                     |           | Sub-total              |                     |                            |                        | 30,915   | 86%  |
|                     |           | Other borrowers        |                     |                            |                        | 5,426  | 14%  |
|                     |           | Total                  |                     |                            |                        | 36,341   | 100%   |

*Notes:*

- Borrower A is a company incorporated in Hong Kong with limited liability and the principal business activity of the Borrower A is provision of money lending services. The loan is secured by share mortgage and deed of assignment. For the details of the loan, please refer to the Company's announcements dated 3 May 2022, 16 October 2024, 8 November 2024, 15 January 2025, 14 May 2025 and 24 July 2025 respectively.
- Borrower B is a company incorporated in the British Virgin Islands with limited liability which is principally engaged in investment holdings. The loan is secured by deed of assignments and the guarantee. For the details of the loan, please refer to the Company's announcement dated 18 December 2024.
- Borrower C is a company incorporated in the British Virgin Islands with limited liability and it is a special purpose vehicle set up to obtain financing for a private equity fund. All advances to the Borrower C shall be repayable upon Borrower C's receipt of the corresponding proceeds from the realisation of the private equity fund's attributable interest in those properties it held after full discharge of any external prior financing. The expected repayment date is at the first quarter of year 2026 according to the latest update from the private equity fund.

The loan and interest receivables with carrying amount of approximately HK\$36,341,000 (30 June 2024: HK\$37,185,000) are not past due at the end of the reporting period. Loan and interest receivables with ageing analysis based on the maturity date or if not specified, the expected repayment date is presented below:

|                        | <b>30 June<br/>2025<br/>HK\$'000<br/>(Audited)</b> | 30 June<br>2024<br>HK\$'000<br>(Audited) |
|------------------------|--|--|
| Within one year        | <b>3,713</b>                                       | 17,494                                   |
| One year to five years | <b>32,628</b>                                      | 19,691                                   |
|                        | <b>36,341</b>                                      | 37,185                                   |

The Group generally provided short-term to medium-term loan and 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 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 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 (“ECLs”) model on loans and interest receivables which are subject to impairment assessment under HKFRS 9 issued by Hong Kong Institute of Certified Public Accountants. The amount of ECLs 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.

During the year ended 30 June 2025, loss allowance recognised in profit or loss amounted to approximately HK\$630,000 (2024: approximately HK\$7,681,000) in its loan financing business.

## **PROSPECTS**

Looking forward, the global economy continues to recover gradually and the external environment remained difficult for the Year. The on-going geopolitical tension and higher-for-even-longer interest rates are still the big threats to the world economy after the pandemic. While the impact of on-going geopolitical tension has yet to be finished, global economic activities are expected to remain subdued in the short to medium term as containment measures are likely to continue for a while. The intensified Sino-US tensions and continued tension in Ukraine, increased trade protectionism and continued geopolitical risks, will pose further challenges and uncertainties to economic recovery.

Despite the uncertainties in Hong Kong and global economy, we expect the local economy to gradually stabilise after the epidemic and Hong Kong will remain relevant and vital in its own right and as part of China, given the mature and healthy nature of Hong Kong's investment environment combined with the potential opportunities for Hong Kong to capitalise on its competitive advantages in the Greater Bay Area. The Group maintains a cautiously optimistic view on the property market and we are confident that we will be able to tackle the diverse challenges ahead.

The Group will continue to adopt a prudent approach on acquiring and disposing properties in light of the market crises faced by some other property companies and remains cautiously optimistic about maintaining stable revenue. Despite the prevailing market sentiment, the Group will continue to proactively adapt by diversifying its properties and investment portfolio, and actively seeking suitable investment opportunities through various property-backed structured products for recurring income and capital appreciation, at the same time expanding its securities investment and trading business and loan financing business for the growth of its stable recurring income. These strategies are intended to enable the Group to maintain its competitiveness thereby ensuring the Group's sustainability and securing the Shareholders' benefits.

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

As at 30 June 2025, the Group had net current assets of approximately HK\$35,345,000 (2024: approximately HK\$120,600,000) including cash and bank balances of approximately HK\$144,141,000 (2024: approximately HK\$230,143,000).

The gearing ratio was approximately 20% as at 30 June 2025 (2024: approximately 17%). The gearing ratio is derived by dividing the total of borrowings by total assets. The gearing ratio increase mainly due to increase 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 2025, the secured bank borrowings of the Group was approximately HK\$330,390,000 (2024: approximately HK\$292,593,000), in which approximately HK\$297,480,000 (2024: approximately HK\$257,633,000) are repayable within a period of not exceeding 5 years and approximately HK\$32,910,000 is repayable beyond 5 years (2024: approximately HK\$34,960,000), and there was no other borrowings as at 30 June 2025 (2024: 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**

On 1 August 2024, August Ally Limited (“August Ally”) (a wholly-owned subsidiary of the Company) subscribed for a participation in BentallGreenOak Asia IV, LP. (the “Fund”) with capital commitment of US\$10,000,000 or equivalent Japanese Yen (equivalent to approximately HK\$78,000,000), representing approximately 0.33% of the target capital commitments of the Fund.

For details of the transaction, please refer to the Company’s announcement dated 1 August 2024 and the Company’s circular dated 22 August 2024.

On 5 March 2025, August Ally, has subscribed through the joint lead managers to the offers of the perpetual bonds issued by Elect Global Investments Limited (the “2nd EG Bonds”), and such orders were confirmed and August Ally has been allocated with the 2nd EG Bonds in a total subscription amount of USD5,000,000 (equivalent to approximately HK\$39,000,000) on 5 March 2025, at a total consideration of USD5,000,000 (equivalent to approximately HK\$39,000,000), exclusive of transaction costs.

For details of the transaction, please refer to the Company’s announcements dated 5 March 2025 and 26 March 2025 and the Company’s circular dated 15 April 2024.

On 11 March 2025, the Board announced that August Ally proposed to subscribe for wealth management product offered by Hang Seng Insurance Company Limited, namely, the LegendPower Life Insurance Plan (Single Premium), in an aggregate subscription amount of USD9,500,000 (equivalent to approximately HK\$74,100,000). The ordinary resolution to approve the subscription and the transactions contemplated thereunder was passed at the extraordinary general meeting of the Company held on 2 May 2025.

For details of the transaction, please refer to the Company’s announcements dated 11 March 2025 and 2 May 2025, respectively, and the Company’s circular dated 15 April 2025.

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

|   | Cost as at<br>30 June 2025<br>HK\$'000 | Carrying<br>amount<br>as at<br>30 June 2025<br>HK\$'000 | Outstanding<br>commitment<br>as at<br>30 June 2025<br>HK\$'000 | Total of<br>carrying<br>amount and<br>commitment<br>as at<br>30 June 2025<br>HK\$'000 | Gain/(Loss)<br>in fair value<br>during<br>the Year<br>HK\$'000 | Loss<br>on disposal<br>during<br>the Year<br>HK\$'000 | Exchange<br>difference<br>during<br>the Year<br>HK\$'000 | Dividends/<br>Interests<br>received/<br>receivable<br>during<br>the Year<br>HK\$'000 |
|---|--|---|--|---|--|---|--|--|
| <i>NON-CURRENT</i>  |  |   |  |   |  |   |  |  |
| Equity instruments at fair value<br>through other comprehensive<br>income |  |   |  |   |  |   |  |  |
| Listed in Hong Kong   | 5,646                                  | 2,026   | –  | 2,026   | 490  | –   | –  | 56   |
| Listed outside Hong Kong  | 40,447                                 | 47,844  | –  | 47,844  | 4,701  | –   | 814  | 345  |
|   | <u>46,093</u>                          | <u>49,870</u>   | <u>–</u>   | <u>49,870</u>   | <u>5,191</u>   | <u>–</u>  | <u>814</u>   | <u>401</u>   |
| Financial instruments at fair<br>value through profit or loss             |  |   |  |   |  |   |  |  |
| Unlisted investment funds   | 545,105                                | 448,238   | 110,108  | 558,346   | (5,746)  | –   | 9,099  | 423  |
|   | <u>545,105</u>                         | <u>448,238</u>  | <u>110,108</u>   | <u>558,346</u>  | <u>(5,746)</u>   | <u>–</u>  | <u>9,099</u>   | <u>423</u>   |
| Debt instruments at fair value<br>through other comprehensive<br>income   |  |   |  |   |  |   |  |  |
| Listed in Hong Kong   | 64,213                                 | 54,900  | –  | 54,900  | (2,148)  | (436)   | 476  | 2,251  |
|   | <u>64,213</u>                          | <u>54,900</u>   | <u>–</u>   | <u>54,900</u>   | <u>(2,148)</u>   | <u>(436)</u>  | <u>476</u>   | <u>2,251</u>   |
|   | <u>655,411</u>                         | <u>553,008</u>  | <u>110,108</u>   | <u>663,116</u>  | <u>(2,703)</u>   | <u>(436)</u>  | <u>10,389</u>  | <u>3,075</u>   |
| <i>CURRENT</i>  |  |   |  |   |  |   |  |  |
| Equity instruments at fair value<br>through profit or loss                |  |   |  |   |  |   |  |  |
| Listed outside Hong Kong  | 17                                     | 15  | –  | 15  | (1)  | –   | –  | –  |
|   | <u>17</u>                              | <u>15</u>   | <u>–</u>   | <u>15</u>   | <u>(1)</u>   | <u>–</u>  | <u>–</u>   | <u>–</u>   |
| Debt instruments at fair value<br>through other comprehensive<br>income   |  |   |  |   |  |   |  |  |
| Listed in Hong Kong   | 39,219                                 | 36,137  | –  | 36,137  | 369  | 43  | 355  | 2,211  |
|   | <u>39,219</u>                          | <u>36,137</u>   | <u>–</u>   | <u>36,137</u>   | <u>369</u>   | <u>43</u>   | <u>355</u>   | <u>2,211</u>   |
|   | <u>39,236</u>                          | <u>36,152</u>   | <u>–</u>   | <u>36,152</u>   | <u>368</u>   | <u>43</u>   | <u>355</u>   | <u>2,211</u>   |
|   | <u>694,647</u>                         | <u>589,160</u>  | <u>110,108</u>   | <u>699,268</u>  | <u>(2,335)</u>   | <u>(393)</u>  | <u>10,744</u>  | <u>5,286</u>   |



The total size of carrying amount and outstanding commitment for each of those investments as at 30 June 2025 represents approximately 0.0009% to 4.74% of the total assets of the Group as at 30 June 2025. 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 2025, the leasehold properties and certain investment properties with carrying amount of approximately HK\$80,100,000 (2024: approximately HK\$87,100,000) and approximately HK\$552,534,000 (2024: approximately HK\$615,673,000) and bank deposits of approximately HK\$144,196,000 (2024: approximately HK\$106,080,000) were pledged to secure bank borrowings for the Group.

## **CONTINGENT LIABILITIES**

As at 30 June 2025, the Company has no contingent liabilities (2024: Nil).

## **LEASE AND CONTRACTED COMMITMENTS**

### **As lessor**

As at 30 June 2025, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

|                    | <b>2025</b><br><b>HK\$'000</b> | 2024<br><i>HK\$'000</i> |
|--------------------|--------------------------------|-------------------------|
| Within one year    | <b>18,261</b>                  | 17,993                  |
| In the second year | <b>11,447</b>                  | 13,444                  |
| In the third year  | <b>6,208</b>                   | 2,127                   |
| In the fourth year | <b>5,552</b>                   | 2,659                   |
| In the fifth year  | <b>5,162</b>                   | 3,928                   |
| Beyond five years  | <b>4,436</b>                   | 6,127                   |
|                    | <b>51,066</b>                  | 46,278                  |

The Group leases its properties under operating lease arrangements which run for an initial period of one to fifteen years (2024: 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

|  | <b>2025</b><br><b>HK\$'000</b> | 2024<br>HK\$'000 |
|--|--------------------------------|------------------|
| Contracted but not provided for:<br>Financial instruments at FVTPL | <b><u>110,108</u></b>          | <u>35,342</u>    |

## 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 2025 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 2025, the Group had 16 (2024: 14) employees, including the Directors. Total staff costs (including Directors' emoluments) were approximately HK\$18,854,000 for the Year as compared to approximately 17,079,000 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**

References are made to (i) the announcement of Winfull Group Holdings Limited (the "Company") dated 3 May 2022 (the "2022 Announcement") in relation to a loan transaction, 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"); (ii) the announcement of the Company dated 16 October 2024 (the "2024 Announcement") in relation to a supplemental loan agreement in respect of the Loan Agreement dated 16 October 2024 (the "Supplemental Loan Agreement"); (iii) the supplemental announcement of the Company dated 8 November 2024 (the "2024 Supplemental Announcement") providing supplemental information about the amendments made to the Revolving Loan under the Supplemental Loan Agreement; (iv) the announcement of the Company dated 15 January 2025 (the "2025 Update Announcement") providing updates to the shareholders and investors of the Company on the transactions as contemplated under the Supplemental Loan Agreement; and (v) the announcement of the Company dated 14 May 2025 ("2025 Supplemental Announcement") in relation to the second supplemental loan agreement in respect of the Loan Agreement dated 14 May 2025 (the "Second Supplemental Loan Agreement").

On 24 July 2025, the Lender as lender entered into a third supplemental loan agreement in respect of the Loan Agreement as amended and/or supplemented by the Supplemental Loan Agreement and the Second Supplemental Loan Agreement (the "Third Supplemental Loan Agreement") with the Borrower as borrower.

Pursuant to the Third Supplemental Loan Agreement, the following principal terms of the Loan Agreement as amended and/or supplemented by the Supplemental Loan Agreement and the Second Supplemental Loan Agreement were further amended on the terms and subject to the conditions of the Third Supplemental Loan Agreement:

**Revolving Loan** : The Revolving Loan in the limit of up to HK\$30,000,000; any sum repaid or prepaid by the Borrower may be re-borrowed in accordance with the terms of the Loan Agreement as amended and/or supplemented by the Supplemental Loan Agreement, the Second Supplemental Loan Agreement and the Third Supplemental Loan Agreement

Further details of the Revolving Loan can be referred to the Company's announcement dated 24 July 2025.

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 (2024: Nil).

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 24 November 2025 to Friday, 28 November 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to attend the forthcoming annual general meeting of the Company, all transfer of Shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrars in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 21 November 2025.

## **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.

## **REMUNERATION COMMITTEE**

According to the Listing Rules, the Company has to set up a remuneration committee comprising a majority of independent non-executive Directors. The remuneration committee of the Company (the "Remuneration Committee") was established on 23 March 2007 with the latest written terms of reference adopted on 25 November 2022. As at the date of this announcement, the Remuneration Committee consists of four members, of which Mr. Pong is executive Director and the other three members are independent non-executive Directors, namely Mr. Koo Fook Sun Louis ("Mr. Koo"), Ms. Yeung Wing Yan Wendy ("Ms. Yeung") and Mr. Liu Tsee Ming ("Mr. Liu"), which schedules to meet at least once a year. The chairman of the Remuneration Committee is Mr. Liu and the quorum necessary for the transaction of business is two.

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

The roles and functions of the Remuneration Committee include to make recommendation to the Board on the remuneration packages of individual executive Directors, which include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board on the remuneration of non-executive Directors.

The Remuneration Committee held 3 meetings during the Year to review the remuneration packages of all the Directors and senior management of the Company.

## **NOMINATION COMMITTEE**

According to the Listing Rules, the Company has to set up a nomination committee comprising a majority of independent non-executive Directors. The nomination committee of the Company (the “Nomination Committee”) was established on 12 November 2007 with the latest written terms of reference adopted on 30 March 2012. As at the date of this announcement, the Nomination Committee consists of four members, of which Mr. Pong is executive Director and the other three members are independent non-executive Directors, namely Mr. Koo, Ms. Yeung and Mr. Liu, which schedules to meet at least once a year. The chairwoman of the Nomination Committee is Ms. Yeung and the quorum necessary for the transaction of business is two.

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

The roles and functions of the Nomination Committee include nomination of the potential candidates for directorship, reviewing the nomination of the Directors, making recommendations to the Board for ensuring that all nominations are fair and transparent, reviewing and monitoring the implementation of the policy of diversity of the Board (the “Board Diversity Policy”).

The Nomination Committee formulated the Board Diversity Policy. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. In designing the Board’s composition, the Nomination Committee will consider a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The Board will take opportunities to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders’ expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of directors who have direct experience in the Group’s core markets, with different ethnic backgrounds, and reflecting the Group’s strategy.

For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted:

- (A) at least one-third of the members of the Board shall be independent non-executive Directors;
- (B) at least three of the members of the Board shall be independent non-executive Directors; and
- (C) at least one of the members of the Board shall have obtained accounting or other professional qualifications.

The Board has achieved the measurable objectives under Board Diversity Policy for the Year.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness and discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

The Nomination Committee also monitors the implementation of the Board Diversity Policy and reports to the Board on the achievement of the measurable objectives for achieving diversity under the Board Diversity Policy.

The Board was satisfied with the implementation and effectiveness of the Board Diversity Policy for the Year.

The Nomination Committee held 3 meetings during the Year to review the structure, size and composition of the Board, assess the independence of independent non-executive Directors, make recommendations to the Board relating to the renewal services of non-executive Director and independent non-executive Directors and to review the Board Diversity Policy.

## **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. During the Year, the Audit Committee was chaired by Mr. Koo and as at the date of this announcement, 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 2024 in conjunction with the external auditor and the unaudited financial statements for 3 months ended 30 September 2024, 6 months ended 31 December 2024 and 9 months ended 31 March 2025;
- 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 2024 which are set out in the annual report of the Company for the year ended 30 June 2024;
- reviewed the audit planning for the Year in conjunction with the external auditor;

#### **2. External Auditor**

- reviewed and approved the remuneration of external auditors of the Company for the Year;
- reviewed the re-appointment of external auditor of the Company and was satisfied with its work, its independence, and its objectivity, and therefore recommended the re-appointment of BDO Limited (which had indicated its willingness to continue in office) as the Group's external auditor for Shareholders' approval in the 2024 annual general meeting;

#### **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. Risk Management and Internal Controls**

- reviewed the risk management policy and internal control report; and
- reviewed the effectiveness of risk management and internal control systems.



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.

## **SUSTAINABILITY COMMITTEE**

The sustainability committee of the Company (the "Sustainability Committee") was established on 9 June 2023. As at the date of this announcement, the Sustainability Committee consists of six members, of which Mr. Pong and Mr. Lee Wing Yin ("Mr. Lee") are executive Directors, Mr. Lai Hin Wing Henry is non-executive Director and the other three members are independent non-executive Directors, namely Mr. Koo, Ms. Yeung and Mr. Liu, which schedules to meet at least once a year. The chairman of the Sustainability Committee is Mr. Lee and the quorum necessary for the transaction of business is two.

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

The roles and functions of the Sustainability Committee include to (i) review, endorse and report to the Board the Group's corporate responsibility and sustainability plans, strategies, priorities, policies, practices and frameworks; (ii) oversee, review and evaluate the adequacy and effectiveness of resources, processes, and actions taken by the Group based on its corporate responsibility and sustainability plans, strategies, priorities, policies and frameworks, and recommend improvements; and the Group's performance against the appropriate international or national standard (if any) on sustainability; (iii) recommend strategies for improvements in the sustainability performance of the Group; (iv) assess and manage material corporate responsibility and sustainability issues and related risks; (v) integrate the corporate responsibility and sustainability related risks into the Group's existing risk management and internal control framework and report to the Board on related risks and issues; (vi) oversee the execution of the Group's initiatives on corporate responsibility and sustainability development; (vii) monitor and review existing and/or emerging issues, trends and investments related to corporate responsibility and sustainability of the Group; (viii) consider the impact of the Group's corporate responsibility and sustainability on its stakeholders, including employees, shareholders, local communities and the environment; (ix) review and oversee the implementation of the Group's corporate responsibility and sustainability policies and practices to ensure they remain relevant and compliant with legal and regulatory requirements (including, but not limited to, the relevant Hong Kong Stock Exchange Environmental, Social and Governance Reporting Guide and the Listing Rules); and (x) review and provide recommendations to the Board for approval of the annual corporate responsibility/sustainability report and relevant disclosures in the Company's annual report.



## **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, 26 September 2025

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