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SILVER GRANT INTERNATIONAL HOLDINGS GROUP LIMITED
銀建國際控股集團有限公司

(I a ed i H g K g i h limi ed liabili)

(Stock Code: 171)

31 2025

The board ( ) of director ( ) of Sil er Grant International Holding Gro p Limited (or , together ith it b idiarie , the) i plea ed to anno nce the con olidated re lt of the Gro p for the ear ended 31 December 2025 (**2025**) a follo :

[illegible]

For the year ended 31 December 2025

	Notes	**2025** *HK$'000*	2024 *HK$'000*
Revenue	2	**96,459**	89,421
Direct operating expenses		**(10,000)**	(6,628)
		86,459	82,793
Other income, gains and losses	3	**44,325**	45,698
Change in fair value of financial assets at fair value through profit or loss		**(56,978)**	(88,057)
Impairment of financial assets, net		**(360,404)**	(102,257)
Administrative expenses		**(68,924)**	(105,930)
Change in fair value of investment properties		**(144,141)**	(72,301)
Finance costs	4	**(396,917)**	(439,055)
Share of losses of:			
associates		**(73,774)**	(10,702)
joint ventures		**(32,217)**	(112,325)
Loss before taxation	6	**(1,002,571)**	(802,136)
Taxation	5	**35,180**	17,567
Loss for the year		**(967,391)**	(784,569)
Loss attributable to:			
Owners of the Company		**(945,682)**	(756,743)
Non-controlling interests		**(21,709)**	(27,826)
		(967,391)	(784,569)
[illegible] (*HK cents*)	7		
Basic and diluted		**(41.03)**	(32.83)

[illegible]

For the year ended 31 December 2025

	2025 *HK$'000*	2024 *HK$'000*
[illegible]	**(967,391)**	(784,569)
[illegible]		
Other comprehen i e income/(lo) that ma be recla ified to profit or lo in b eq ent period :		
E change difference on tran lation of foreign operation		
S b idiarie	**17,203**	(30,916)
A ociate and joint ent re	**30,558**	(33,302)
Total other comprehen i e income/(lo) that ma be recla ified to profit or lo in b eq ent period	**47,761**	(64,218)
Other comprehen i e lo that ill not be recla ified to profit or lo in b eq ent period :		
Lo ari ing on propert re al ation	**(1,646)**	(2,858)
Net other comprehen i e lo that ill not be recla ified to profit or lo in b eq ent period	**(1,646)**	(2,858)
[illegible]	**46,115**	(67,076)
[illegible]	**(921,276)**	(851,645)
Total comprehen i e lo attrib table to:		
O ner of the Compan	**(901,733)**	(796,241)
Non-controlling intere t	**(19,543)**	(55,404)
	(921,276)	(851,645)

[illegible]

At 31 December 2025

	Note	2025 *HK$'000*	2024 *HK$'000*
[illegible]			
In e tment propertie		**1,908,783**	2,016,909
Propert , plant and eq ipment		**75,858**	50,622
Right-of- e a et		**19,154**	25,605
Intere t in a ociate		**189,442**	257,634
Intere t in joint ent re		**875,772**	1,262,968
Amo nt d e from an a ociate		**400,378**	409,508
Amo nt d e from joint ent re		**163,066**	202,742
Financial a et at fair al e thro gh profit or lo		**1,000**	1,640
Total non-c rrent a et		**3,633,453**	4,227,628
[illegible]			
Trade recei able	9	**10,428**	9,486
Depo it , prepa ment and other recei able		**594,120**	758,117
Amo nt d e from joint ent re		**1,703**	1,630
Loan recei able		**1,628,023**	1,770,209
Financial a et at fair al e thro gh profit or lo		**218,448**	278,702
Re tricted bank balance		**17,932**	8,518
Ca h and bank balance		**10,273**	4,908
Total c rrent a et		**2,480,927**	2,831,570
[illegible]			
Accr ed charge , rental depo it and other pa able		**1,010,891**	701,960
Intere t-bearing bank and other borro ing		**3,153,314**	3,411,554
Ta ation pa able		**107,651**	107,089
Lea e liabilitie		**1,960**	2,873
Total c rrent liabilitie		**4,273,816**	4,223,476
[illegible]		**(1,792,889)**	(1,391,906)
[illegible]		**1,840,564**	2,835,722

	2025	2024
	HK$'000	*HK$'000*
[illegible]		
Interest-bearing bank and other borrowings	**377,994**	34,166
Lease liabilities	**18,376**	23,183
Deferred tax liabilities	**107,868**	143,584
Total non-current liabilities	**504,238**	200,933
NET ASSETS	**1,336,326**	2,634,789
[illegible]		
Share capital	**3,626,781**	3,626,781
Reserves	**(2,232,243)**	(1,303,230)
[illegible]	**1,394,538**	2,323,551
Non-controlling interests	**(58,212)**	311,238
TOTAL EQUITY	**1,336,326**	2,634,789

[illegible]:

1.1 [illegible]

The Group recorded a net loss of approximately HK$967 million and HK$785 million respectively for two consecutive years ended 31 December 2025 and 2024. As at 31 December 2025, the Group had net current liabilities of approximately HK$1,793 million. By the end of the reporting period, the Group had cash and bank balances of approximately HK$10 million and the Group's interest-bearing bank and other borrowings with an aggregate carrying amount of approximately HK$3,153 million are due to be repaid within 12 months from the end of the reporting period, including borrowing of approximately HK$2,282 million which has not been repaid according to the scheduled repayment date before the end of the reporting period. In June 2024, a court order in the Chinese Mainland has been issued to freeze certain bank balances and other assets of the Group due to the non-payment of an overdue other borrowing with an outstanding principal amount of approximately HK$196 million ([illegible]). Up to the date of approval of these consolidated financial statements, except for the Overdue Other Borrowing, the Group has not received any demand for immediate repayment of its bank and other borrowings. The Group has been actively liaising with the lender for settlement of the court order in relation to the Overdue Other Borrowing and negotiating with the relevant lenders for extension of the repayment date of certain of the aforesaid borrowings. The Directors of the Company are of the view that the frozen assets do not have material impact on the Group's financial position and operation. In addition, in June 2024, the Company entered into an agreement with an independent third party to assign all the rights, title, benefits and interests of the Company to, in and under the loan agreements in relation to 54 loans (the total outstanding principal amount and interest of which amounted to approximately HK$2,512 million as at 31 December 2025) advanced by the Group, which would allow the Group to substantially recover a large portion of the outstanding amount owed to the Group under such loans within a foreseeable timeframe and in a relatively short period of time upon completion.

In view of the above circumstances, the Directors have given careful consideration to the Group's future liquidity requirements, operating performance and available sources of financing in assessing the Group's ability to continue operating as a going concern. The following plans and measures are formulated to manage the working capital and improve the financial position of the Group:

(i) the Group will continue to implement measures for the disposal of the outstanding loan receivables and loan interest receivables;

(ii) the Group will continue to take measures to expedite the disposal of the financial asset investments, including equity investments and non-performing asset portfolio;

(iii) the Group will continue its negotiations with the lenders of certain bank and other borrowings or other financial institutions on the refinancing of the borrowings; and

(iv) the Group will obtain additional credit facilities from existing and other lenders as and when needed.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than 12 months from 31 December 2025. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within 12 months from 31 December 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend on (i) the successful and timely implementation of the plans and measures for the disposal of the outstanding loan receivables and loan interest receivables; (ii) the successful and timely implementation of the plans for the disposal of the financial asset investments; (iii) the continual support from the existing lenders of the Group such that they will not demand for immediate repayment of the relevant borrowings; and (iv) the successful obtaining of new sources of financing as and when needed.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

1.2 [illegible]

The financial information relating to the years ended 31 December 2025 and 2024 included in this announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those consolidated financial statements. The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap.622) and will deliver the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies in due course. The Company's auditor has reported on the consolidated financial statements of the Group for both years. For the years ended 31 December 2025 and 2024, the auditor's report was qualified and contained a statement under sections 407(2) and 407(3) of the Hong Kong Companies Ordinance (Cap.622); and the auditor's report did not contain a statement under section 406(2) of the Hong Kong Companies Ordinance (Cap. 622). For details, please refer to the section headed EXTRACT OF INDEPENDENT AUDITOR'S REPORT in this announcement.

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and the Hong Kong Companies Ordinance (Cap.622). They have been prepared under the historical cost convention, except for investment properties, leasehold land and buildings under property, plant and equipment and financial assets at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK$'000) except when otherwise indicated.

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

2. [illegible]

An analysis of revenue is as follows:

	2025	2024
	HK$'000	*HK$'000*
Revenue from other sources		
Gross rental income	**92,982**	89,421
Revenue from contracts with customers within HKFRS 15 – at a point in time		
Income from distributed photovoltaic power generation	**3,477**	
	96,459	89,421

[illegible]

[illegible] 31 [illegible] 2025

	[illegible]	[illegible]	[illegible]	[illegible]
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Revenue				
Rental income	**–**	**92,982**	**–**	**92,982**
Income from distributed photovoltaic power generation	**–**	**–**	**3,477**	**3,477**
	–	**92,982**	**3,477**	**96,459**
Segment (loss)/profit	**(392,010)**	**(80,075)**	**2,301**	**(469,784)**
Other unallocated income, gains and losses				**13,155**
Corporate expenses				**(44,350)**
Finance costs (other than interest on lease liabilities)				**(395,601)**
Share of losses of:				
associates				**(73,774)**
joint ventures				**(32,217)**
Loss before taxation				**(1,002,571)**
Taxation				**35,180**
Loss for the year				**(967,391)**

Year ended 31 December 2024

	In e tment *HK$'000*	Propert lea ing *HK$'000*	Total *HK$'000*
Re en e			
Rental income		89,421	89,421
Segment lo	(159,671)	(12,933)	(172,604)
Other nallocated income, gain and lo e			12,653
Corporate e pen e			(82,504)
Finance co t (other than intere t on lea e liabilitie)			(436,654)
Share of lo e of:			
a ociate			(10,702)
joint ent re			(112,325)
Lo before ta ation			(802,136)
Ta ation			17,567
Lo for the ear			(784,569)

[illegible]

The Gro p' b ine operate in the t o principal geographical area (i) Hong Kong and (ii) the People' Rep blic of China ([illegible]). In pre enting information on the ba i of geographical location , re en e i ba ed on the location of operation .

Re e e f e e a c e

	2025 ***HK$'000***	2024 *HK$'000*
PRC	**96,459**	89,421

Non-current assets

	2025	2024
	HK$'000	*HK$'000*
Hong Kong	**978**	2,332
PRC	**3,068,031**	3,611,406
	3,069,009	3,613,738

The non-current asset information above is based on the locations of the assets and excludes financial assets at fair value through profit or loss, amounts due from an associate and amounts due from joint ventures.

3. OTHER INCOME, GAINS AND LOSSES

An analysis of other income, gains and losses is as follows:

	2025	2024
	HK$'000	*HK$'000*
Interest income on:		
bank deposits	**20**	59
loan receivables	**23,436**	56,538
Net foreign exchange gain/(loss)	**95**	(1,051)
Net gain on disposal of property, plant and equipment	**–**	14
Net gain on disposal of investment properties	**4,637**	
Gain/(loss) on disposal of financial assets at fair value through profit or loss	**1,801**	(25,283)
Gain on termination of leases	**–**	3,562
Others	**14,336**	11,859
	44,325	45,698

4. A

An anal i of finance co t i a follo :

	2025	2024
	HK$'000	*HK$'000*
Intere t on bank loan	**6,673**	10,893
Intere t on other loan	**388,928**	425,761
Intere t on lea e liabilitie	**1,316**	2,401
	396,917	439,055

5. A A

	2025	2024
	HK$'000	*HK$'000*
C rrent:		
PRC Corporate Income Ta ( ) charge for the ear	**532**	10
PRC CIT nder-pro i ion in prior ear	**4**	
Deferred	**(35,716)**	(17,577)
Total ta credit for the ear	**(35,180)**	(17,567)

No pro i ion for Hong Kong profit ta ha been made a the Compan and it b idiarie in Hong Kong had no a e able profit or had inc rred ta lo e d ring the ear ended 31 December 2025 (2024: Nil).

The ta ation charge of the PRC CIT for the ear ha been made ba ed on the Gro p' e timated a e able profit calc lated in accordance ith the rele ant income ta la applicable to the Compan ' b idiarie in the PRC. Under the La of the PRC on Corporate Income Ta ( ) and the Implementation Reg lation of the CIT La , the ta rate of the Compan ' b idiarie in the PRC a 25% for the ear ended 31 December 2025 (2024: 25%).

The ithholding ta ari ing from di idend income recei ed from the Compan ' b idiarie in the PRC i calc lated at 5%.

6. LOSS BEFORE TAXATION

The Group's loss before taxation is arrived at after charging/(crediting):

	2025	2024
	HK$'000	*HK$'000*
Auditor's remuneration	**4,000**	4,200
Change in fair value of financial assets at fair value through profit or loss	**56,978**	88,057
Depreciation of property, plant and equipment#	**4,620**	4,929
Depreciation of right-of-use assets#	**3,635**	3,719
Employee benefit expenses (including directors' and co-chief executive officers' remuneration)		
Wages and salaries	**42,750**	51,643
Pension scheme contributions (defined contribution schemes)*	**2,466**	2,198
	45,216	53,841
Rental income under operating leases for investment properties, less outgoings of HK$9,085,000 (2024: HK$6,628,000)	**(83,897)**	(82,793)
Income from distributed photovoltaic power generation, less outgoings of HK$915,000 (2024: Nil)	**(2,562)**	
Impairment of financial assets, net	**360,404**	102,257
Impairment on interests in joint ventures^	**(69,385)**	
Change in fair value of investment properties	**144,141**	72,301

\# Depreciation of property, plant and equipment and depreciation of right-of-use assets amounting to HK$683,000 (2024: Nil) and HK$191,000 (2024: Nil), respectively, for the new energy investment and operation are included in Direct operating expenses in the consolidated statement of profit or loss.

* There were no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

^ The impairment on interests in joint ventures is included in Share of losses of joint ventures in the consolidated statement of profit or loss.

7. [illegible]

The calc lation of the ba ic lo per hare attrib table to the ordinar eq it holder of the Compan i ba ed on the follo ing data:

	2025	2024
	HK$'000	*HK$'000*
Lo attrib table to ordinar eq it holder of the Compan ed in the ba ic lo per hare calc lation	**945,682**	756,743

	[illegible]	
	2025	2024
	a d	*in thousand*
Weighted a erage n mber of ordinar hare in i e d ring the ear ed in the ba ic lo per hare calc lation	**2,304,850**	2,304,850

No dil ted lo per hare ha been pre ented a there ere no potential dil ti e hare o t tanding for the ear ended 31 December 2025 and 2024.

8. [illegible]

No di idend a paid or propo ed for the ear ended 31 December 2025 (2024: Nil).

9. [illegible]

The Gro p allo a credit period of 30 to 60 da to it trade c tomer .

The follo ing i an ageing anal i of trade recei able pre ented ba ed on the in oice date at the end of the reporting period, hich appro imated on the re pecti e re en e recognition date :

	2025	2024
	HK$'000	*HK$'000*
Within 1-2 month	**10,428**	9,486

[illegible]

The following is the extract of the Independent Auditor's Report from the auditor of the Company, ZHONGHUI ANDA CPA Limited:

"We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. Except for the matters described in the Basis for Disclaimer of Opinion section and the Other Matters section of our report, in all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the Hong Kong Companies Ordinance.

[illegible]

[illegible]

We draw attention to note 2.1 to the consolidated financial statements which mentions that the Group recorded a net loss of approximately HK$967 million and HK$785 million respectively for two consecutive years ended 31 December 2025 and 2024. As at 31 December 2025, the Group had net current liabilities of approximately HK$1,793 million. By the end of the reporting period, the Group had cash and bank balances of approximately HK$10 million and the Group's interest-bearing bank and other borrowings with an aggregate carrying amount of approximately HK$3,153 million are due to be repaid within 12 months from the end of the reporting period, including borrowing of approximately HK$2,282 million which has not been repaid according to the scheduled repayment date before the end of the reporting period. Furthermore, as described in note 36 to the consolidated financial statements, as at 31 December 2025, the Group was involved in the litigation related to the other borrowing of the Group with a principal amount of approximately HK$196 million resulting in the freezing of several assets and demanding for immediate repayment. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements have been prepared on a going concern basis. The directors of the Company have been undertaking plans and measures to improve the Group's liquidity and financial position, details of which are set out in note 2.1 to the consolidated financial statements. Should the going concern assumption be inappropriate, adjustments may have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

The alidit of the going concern a mption on which the con olidated financial tatement ha e been prepared depend on the o tcome of the e mea re , which are bject to the following material ncertaintie .

(a) The cce f l and timel implementation of the plan and mea re for the di po al of the o t tanding loan recei able and loan intere t recei able . A of the date of thi report, the tran action ha not been completed and i till in progre .

(b) The cce f l and timel implementation of the plan for the di po al of the financial a et in e tment . A of the date of thi report, management wa nable to pro ide with fficient information abo t the detail of the plan . Accordingl , we were nable to obtain fficient appropriate a dit e idence that we con idered nece ar to e al ate the Gro p' abilit to rai e on a timel ba i additional f nding.

(c) The contin al pport from the e i ting lender of the Gro p ch that the will not demand for immediate repa ment of the rele ant borrowing . A of the date of thi report, we were ad i ed b management that ch e ten ion agreement or refinancing agreement are till nder negotiation and no agreement ha been igned. Accordingl , we were nable to obtain fficient appropriate a dit e idence that we con idered nece ar to e al ate the Gro p' abilit to obtain the contin al pport from the e i ting lender of the Gro p.

(d) The cce f l obtaining of new o rce of financing a and when needed. A of the date of thi report, we were ad i ed b management that ch new o rce of financing are till at a preliminar tage and no iable financing plan ha e been bmitted to the Board of Director of the Compan . Accordingl , we were nable to obtain fficient appropriate a dit e idence that we con idered nece ar to e al ate the Gro p' abilit to obtain the additional f nding.

In ab ence of fficient appropriate a dit e idence of the abo e, we were nable to a certain whether the e of the going concern a mption in the preparation of the con olidated financial tatement i appropriate.

A

Had we not di claimed o r opinion regarding the matter de cribed in the Ba i for Di claimer of Opinion ection abo e, we wo ld otherwi e ha e q alified o r opinion regarding the cope limitation on o r a dit relating to the matter detailed below.

[illegible]

Incl ded in loan recei able and depo it , prepa ment and other recei able on the con olidated tatement of financial po ition a at 31 December 2025 and 2024 ⊠ere loan recei able from different borro⊠er ⊠ith an aggregate carr ing amo nt of appro imatel HK$1,628 million and HK$1,535 million, net of lo allo⊠ance, and related loan intere t recei able ⊠ith an aggregate carr ing amo nt of appro imatel HK$437 million and HK$399 million, net of lo allo⊠ance, re pecti el . In addition, incl ded in other income, gain and lo e and impairment of financial a et , net on the con olidated tatement of profit or lo for the ear ended 31 December 2025 and 2024 ⊠ere intere t income of appro imatel HK$18 million and HK$55 million, and impairment lo re er ed of appro imatel HK$73 million and HK$9 million in relation to the abo ementioned loan recei able and loan intere t recei able , re pecti el .

A di clo ed in note 19 to the con olidated financial tatement , the Compan ha e tabli hed a pecial in e tigation committee to ndertake in e tigation on matter pertaining to the loan tran action , incl ding b t not limited to, the commercial rationale of the loan tran action and the relation hip bet⊠een the Gro p and the borro⊠er . On 11 December 2024, the independent foren ic in e tigation firm engaged b the pecial in e tigation committee i ed the report of the foren ic in e tigation. We ⊠ere nable to obtain fficient appropriate a dit e idence to ati f o r el e a to (i) the commercial rationale of the loan tran action , the relation hip bet⊠een the Gro p and the borro⊠er , and the relation hip among t the borro⊠er ; (ii) ⊠hether the carr ing amo nt of the loan recei able and loan intere t recei able ⊠ere properl tated a at 31 December 2025 and 2024; and (iii) ⊠hether the impairment lo for the e loan recei able and loan intere t recei able for the ear ended 31 December 2025 and 2024 ⊠a properl a e ed and recogni ed ba ed on the rea onable and pportable information in accordance ⊠ith the applicable acco nting tandard and, con eq entl , ⊠hether the intere t income from the e loan recei able ⊠a properl recogni ed d ring the ear ended 31 December 2025 and 2024.

An adj tment to the fig re a de cribed abo e might ha e con eq ential effect on the financial po ition of the Gro p a at 31 December 2025 and 2024, and the financial performance of the Gro p for the ear ended 31 December 2025 and 2024, and the related di clo re thereof in the con olidated financial tatement .

407(2) 407(3)

In re pect alone of the inabilit to obtain fficient appropriate a dit e idence abo t the appropriatene of the going concern ba i of acco nting a de cribed in the Ba i for Di claimer of Opinion ection and the loan recei able and loan intere t recei able a de cribed in the Other Matter ection of o r report abo e:

e ere nable to determine hether adeq ate acco nting record had been kept; and

e ha e not obtained all the information or e planation that, to the be t of o r kno ledge and belief, are nece ar and material for the p rpo e of the a dit.

The Gro p ha recorded a lo attrib table to o ner of the Compan of appro imatel HK$945,682,000 for Year 2025, a compared ith that of appro imatel HK$756,743,000 for the ear ended 31 December 2024 (**2024**). Ba ic lo per hare of the Compan a 41.03 HK cent for Year 2025 (Year 2024: 32.83 HK cent).

In Year 2025, the global econom contin ed to face tr ct ral adj tment and geopolitical ncertaint , and a generall characteri ed b lo gro th and inten ified fragmentation. The International Monetar F nd foreca ted a light decline in global economic gro th, from 3.3% in Year 2024 to 3.2% in Year 2025. Ad anced economie ere e pected to achie e mode t gro th of aro nd 1.5% to 1.9%, again t the backdrop of major central bank ' monetar policie entering into an ea ing c cle. In contra t, a emerging market and de eloping economie ha e maintained relati el trong gro th moment m, their economie ere e pected to gro at rate lightl e ceeding 4%. Geopolitical ten ion , trade protectioni m, and the infl ence of rapid technological ad ancement , ch a the impact of artificial intelligence on the labo r market, ere major t rning point thro gho t the ear nder re ie . F rther, the lo do n in the pace of global di inflation and the inten ification of fragmentation acro region pre ented ongoing challenge for central bank . On the other hand, China' econom maintained a table moment m in Year 2025. In the fir t three q arter of the ear nder re ie , China' real GDP gre b 5.2% ear-on- ear, la ing a olid fo ndation for achie ing it ann al target . In Year 2025, the econom aggregate of China reached RMB140 trillion, marking the cce f l concl ion of the 14th Fi e-Year Plan. Regarding the policie , China implemented a moderate ea ing + more aggre i e macro polic mi , f rther inten if ing it e pan ionar fi cal polic , ith the deficit ratio ri ing to 4%. D ring the ear nder re ie , ne q alit prod cti it a promoted to a more prominent trategic po ition. B foc ing on inno ation and ind trial pgrading, China' econom i committed to hifting from factor-dri en to inno ation-dri en, pro iding promi ing moment m for achie ing long-term, high-q alit de elopment.

In Year 2025, the photovoltaic industry in China has undergone deep adjustments due to the involution of overcapacity and price competition. In the first half of the year under review, key players in the supply chain of the photovoltaic industry faced substantial losses. Despite the challenges on the manufacturing side, a market-oriented consensus of anti-involution gradually emerged, signaling that the industry was entering a decisive phase of governance. In particular, the industry has undergone a critical transformation from a "price war" to "value reconstruction", laying the foundation for the clearance and healthy development of production capacity for the future. The domestic photovoltaic installation market remained robust with new on-grid capacity increasing 14% which year-on-year and reaching 317 GW in Year 2025, which enabled China to reinforce its leading global position in the industry. During the year under review, the Group has simultaneously promoted the business expansion of its new energy investment and operation businesses in the three sub-sectors of photovoltaics, storage and charging and the details of such businesses progress are set out in the section headed "New Energy Investment and Operation" below. While Beijing Lingjun New Energy Technology Company Limited* (北京靈駿新能源科技有限責任公司) ([illegible]), a joint venture of the Company principally engaged in the research and development, transfer and promotion of new energy technology, continued to report a loss for Year 2025, such loss had decreased from that for Year 2024, mainly due to the improved financial performance of the photovoltaic cell module project company invested by Beijing Lingjun during the year under review, as a result of the initiatives undertaken by the project company to expand its research and development (R&D) capability in photovoltaic battery technology during Year 2024.

In relation to the Group's investment in the traditional energy segment, Zhong Hai You Qi (Tai Zhou) Petrochemical Company Limited* (中海油氣(泰州)石化有限公司) ([illegible]), a joint venture of the Company principally engaged in the production and trading of petroleum and petrochemical products, continued to adhere to the principle of maximizing the value of its shareholders and focus on its annual production and operational targets in Year 2025. Owing to the stable demand for refined oil products during the year under review, Zhong Hai You Qi achieved a turnaround in its financial performance by achieving profitability in Year 2025 as compared with a loss in Year 2024.

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The rental income from the Gro p' propert lea ing b ine d ring Year 2025 a appro imatel HK$92,982,000, repre enting an increa e of appro imatel 4.0% a compared ith that of appro imatel HK$89,421,000 d ring Year 2024. Thi a mainl d e to the Gro p' propert operation team e ec ting effecti e operation trategie and managing to maintain a table occ panc rate de pite a general decline in rental rate acro the o erall rental market, re lting in a light increa e in rental income. S ch re en e a deri ed from Ea t Gate Pla a, an in e tment propert of the Gro p located in Beijing, China, con i ting of apartment , hop , office and car park . De pite the pre re on rental acanc rate and rental le el in the rro nding hopping area of Ea t Gate Pla a in Year 2025, the Gro p' propert team ha impro ed it er ice q alit , attracted tenant and optimi ed the tenant e perience thro gh a erie of initiati e , thereb impro ing the ati faction of e i ting tenant and fo tering a more table c tomer ba e. Moreo er, the propert management team acti el adapted to the market trend b e tabli hing ocial media marketing channel and le eraging on rele ant platform to promote propert li ting and enhance brand a arene , effecti el increa ing the c tomer con er ion rate.

The Gro p ha made in e tment in certain enterpri e in China hich are cla ified b the Gro p a financial a et at fair al e thro gh profit or lo . The Gro p ha in e ted RMB505,000,000 (eq i alent to appro imatel HK$559,247,000) in aggregate into a tr t ( ) managed b National Tr t Co., Ltd.* (國民信託有限公司), hich hold a portfolio of limited liabilit partner hip in e ting in propert de elopment in e tment in Zh o ho and Shen ang in the PRC. A at 31 December 2025, the NT Tr t Scheme, ith it carr ing al e mea red at fair al e thro gh profit and lo amo nting to appro imatel HK$117,234,000 (31 December 2024: HK$144,431,000) and repre enting appro imatel 1.9% (31 December 2024: 2.0%) of the total a et of the Gro p, con tit ted the mo t ignificant financial a et in e tment of the Gro p. O t of the lo of appro imatel HK$56,978,000 (Year 2024: HK$88,057,000) recorded b the Gro p in the change in fair al e of financial a et at fair al e thro gh profit and lo for Year 2025, a lo of appro imatel HK$30,471,000 (Year 2024: HK$82,634,000) a attrib table to the fair al e change of the NT Tr t Scheme a at 31 December 2025. The Gro p did not recei e an di trib tion from the NT Tr t Scheme d ring Year 2025 (Year 2024: Nil). Ba ed on the c rrent in e tment trateg of the Gro p, it intere t in the NT Tr t Scheme i held for trading and cla ified a a c rrent a et in it con olidated tatement of financial po ition.

The Gro p in e t in financial a et mainl for the p rpo e of generating ret rn on appreciation of a et and in e tment ret rn . In order to optimi e the management of orking capital and impro e the Gro p' financial po ition, the Board belie e that the di po al of e i ting financial a et , incl ding eq it in e tment project and non-performing a et portfolio, ho ld be e pedited at the c rrent tage. The Gro p' in e tment management team reg larl re ie the late t progre of the e i ting project and acti el eek e it opport nitie and potential b er for ca h inflo . D ring Year 2025, the Gro p di po ed of financial a et in e tment for appro imatel HK$11,657,000 (Year 2024: HK$35,833,000).

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[illegible]

Since Year 2024, the Group has commenced its diversification into the new energy business through the development, investment and operation of projects involving the generation of distributed photovoltaic power. Driven by its professional team, the Group has established a project management system based on its own characteristics and achieved remarkable results in project expansion. On 28 July 2025, (i) Taizhou Yinjian Energy Investment Co., Limited* (泰州銀建能源投資有限公司) ([illegible]), a wholly-owned subsidiary of the Company principally engaged in investments in the new energy business, including the investment and operation of new energy projects involving energy storage; (ii) NR Engineering Co., Ltd.* (南京南瑞繼保工程技術有限公司) ([illegible]), an independent third party; and (iii) Shanghai Hongming Construction (Group) Co., Ltd.* (上海弘明建設(集團)有限公司) ([illegible], together with Nanrui Jibao, the [illegible]), an independent third party, entered into a construction contract ([illegible]), pursuant to which the Contractors agreed to carry out the design, onsite survey and construction of energy storage facilities which shall be equipped with 7.5MW/15MWh lithium iron phosphate system and the related infrastructure at the petroleum and petrochemical product production plant of Zhong Hai You Qi (a joint venture of the Company) located in Taizhou City, Jiangsu Province, the PRC ([illegible]), at the contract price of approximately RMB14,200,000 (equivalent to approximately HK$15,609,000). The Construction Works would enable the Group to commence its business in the investment and development in the energy storage business in the PRC. Further details of the Construction Contract are set out in the Company's announcement dated 28 July 2025. As at 31 December 2025, the Group had eight distributed photovoltaic power generation projects in operation, with a total installed capacity of approximately 10.6MW. These projects are located in various regions and cities in the Guangdong and Hunan provinces, encompassing rooftop resources from a diverse range of premises, including hospitals, schools, hotels, factories and logistic parks. As at 31 December 2025, in addition to the energy storage project pursuant to the Construction Contract which was under construction, the Group also had one electric vehicle charging station project in operation and other energy storage projects under negotiation with various business partners. During the year under review, the Group started to generate revenue from its distributed photovoltaic power generation business, which amounted to approximately HK$3,477,000. By continuously putting photovoltaics, storage and charging projects into operation, the Group has been steadily laying a foundation for the development of its new energy investment and operation business.

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[illegible]

Looking for⊠ard to the ear ending 31 December 2026 (**2026**), fragmentation ⊠ill remain a ke theme in the global econom . The U.S. econom i e pected to maintain re ilient gro⊠th b le eraging on ad ancement in technologie . ch a artificial intelligence and relati el trong con . mption. In contra t, gro⊠th in other de eloped economie , . ch a the e. ro area, i likel to be more moderate follo⊠ing a hift to⊠ard ea ing policie . Emerging market and de eloping economie ⊠ill remain the major contrib. tor to global gro⊠th, ⊠ith the emerging economie in A ia e pected to maintain their leading role. With Year 2026 marking the beginning ear of China' 15th Fi e-Year Plan, the Chine e econom i e pected to e perience tead gro⊠th, dri en b tr. ct. ral recon tr. ction a the foc. . Polic empha i ⊠ill hift from a hort-term ri k re pon e approach to prioriti ing prod. cti it and high-q. alit de elopment. On the macro polic front, it i e pected that the PRC go ernment ⊠ill contin. e to maintain a proacti e fi cal polic along ide a pr. dent and loo e monetar polic to create nerg that co. nter the ongoing do⊠n⊠ard pre . re on the real e tate market ⊠hile . pporting the e pan ion of dome tic demand and tr. ct. ral tran formation. The Gro. p ⊠ill firml tand on the a t Chine e market and eize the golden opport. nitie pre ented b China' polic tran ition to a greener, lo⊠-carbon econom to gain a tronger foothold in the ne⊠ energ market. Facing the challenge and opport. nitie po ed b the c. rrent lo⊠-intere t rate en ironment in the co. ntr , the Gro. p ⊠ill f. ll mobili e it o⊠n re o. rce , align ⊠ith the national policie , deepen it trategic tran formation, and accelerate the e tabli hment of a ne⊠ energ b. ine frame⊠ork that integrate photo oltaic , torage and charging .

[illegible]

The lo attrib. table to the o⊠ner of the Compan increa ed b appro imatel 25.0% from appro imatel HK$756,743,000 for Year 2024 to appro imatel HK$945,682,000 for Year 2025 and the ba ic lo per hare attrib. table to ordinar eq. it holder of the Compan increa ed from 32.83 HK cent for Year 2024 to 41.03 HK cent for Year 2025, mainl d. e to the combined effect a follo⊠ :

(a) the increa e in the Gro. p' impairment of financial a et , net, from appro imatel HK$102,257,000 for Year 2024 to appro imatel HK$360,404,000 for Year 2025, mainl attrib. table to the increa e in the impairment lo pro i ion in the amo. nt of appro imatel HK$99,156,000, appro imatel HK$197,111,000, appro imatel HK$19,295,000 and appro imatel HK$44,842,000 made b the Gro. p on it loan recei able , loan intere t and other recei able , amo. nt d. e from an a ociate and amo. nt d. e from joint ent. re , re pecti el , . nder the e pected credit lo model in accordance ⊠ith HKFRS 9 *Financial Instruments* in Year 2025;

(b) the increase in the loss from the fair value of the investment properties of the Group from approximately HK$72,301,000 for Year 2024 to approximately HK$144,141,000 for Year 2025, mainly attributable to the decrease in the fair value of the Group's investment property located in Beijing as at 31 December 2025, as compared with that as at 31 December 2024;

(c) the increase in the Company's share of losses of associates from approximately HK$10,702,000 for Year 2024 to approximately HK$73,774,000 for Year 2025, mainly contributed by the increase in the Company's share of the loss of Guangzhou Ruifeng Investment Company Limited* (廣州瑞豐投資有限公司) ("Guangzhou Ruifeng"), an associate of the Company principally engaged in investment holding, from approximately HK$1,000 for Year 2024 to approximately HK$73,774,000 for Year 2025, as a result of the decline in the performance of the real estate projects held by Guangzhou Ruifeng in the PRC during the year under review;

(d) the decrease in the administrative expenses of the Group from approximately HK$105,930,000 for Year 2024 to approximately HK$68,924,000 for Year 2025, primarily attributable to (i) the reduction in the general expenses incurred by the Group following the cost control implemented by the Group during Year 2025; and (ii) the decrease in the Group's consultancy, legal and professional fees from approximately HK$20,108,000 for Year 2024 to approximately HK$9,934,000 for Year 2025, mainly due to the decrease in the consultancy and legal fees incurred by the Group in relation to its distressed asset portfolios in Year 2025;

(e) the decrease in the finance costs incurred by the Group from approximately HK$439,055,000 for Year 2024 to approximately HK$396,917,000 for Year 2025, which was mainly due to (i) the reduction in the interest rate of one of the loans granted by a financial institution to the Group by one-third during Year 2025; and (ii) a one-off surcharge on borrowing incurred by the Group during Year 2024, which was absent in Year 2025; and

(f) the decrease in the Company's share of losses of joint ventures from approximately HK$112,325,000 for Year 2024 to approximately HK$32,217,000 for Year 2025, primarily attributable to (i) the decrease in the Company's share of the loss of Beijing Lingjun, a joint venture of the Company, from approximately HK$32,065,000 for Year 2024 to approximately HK$15,905,000 for Year 2025, which was mainly caused by the initiative undertaken by the photovoltaic cell module project company invested by Beijing Lingjun to expand its R&D capability in photovoltaic battery technology during Year 2024; (ii) the Company's share of the profit of Zhong Hai You Qi, a joint venture of the Company, of approximately HK$5,543,000 for Year 2025, as compared with its share of the loss of Zhong Hai You Qi of approximately HK$80,258,000 for Year 2024,

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ari ing from the table demand for refined oil prod ct d ring the ear nder re ie ; and (iii) the increa e in the Compan ' hare of the lo of Meizho Cit Ji Shan Operation Management Compan Limited* (梅州市集善經營管理有限公司) ([illegible]), a joint ent re of the Compan principall engaged in in e tment in rban rene al project in China, from appro imatel HK$1,000 for Year 2024 to appro imatel HK$21,855,000 for Year 2025, mainl d e to the contin ing decline of the real e tate market in the PRC d ring the ear nder re ie .

[illegible]

Re en e of the Gro p for Year 2025 amo nted to appro imatel HK$96,459,000 (Year 2024: HK$89,421,000), repre enting an increa e of appro imatel 7.9%, hich a mainl d e to (i) the increa e in the rental income of the Gro p from appro imatel HK$89,421,000 for Year 2024 to appro imatel HK$92,982,000 for Year 2025, in light of the light increa e in the dail nit rental rate and occ panc rate of the rental propert of the Gro p in Beijing, Ea t Gate Plaza, d ring Year 2025; and (ii) the income from di trib ted photo oltaic po er generation of appro imatel HK$3,477,000 (Year 2024: Nil) recorded b the Gro p for Year 2025.

[illegible]

The Gro p' impairment of financial a et , net, increa ed from appro imatel HK$102,257,000 for Year 2024 to appro imatel HK$360,404,000 for Year 2025, hich a mainl attrib table to the increa e in the impairment lo pro i ion in the amo nt of appro imatel HK$99,156,000, appro imatel HK$197,111,000, appro imatel HK$19,295,000 and appro imatel HK$44,842,000 made b the Gro p on it loan recei able , loan intere t and other recei able , amo nt d e from an a ociate and amo nt d e from joint ent re , re pecti el , nder the e pected credit lo model in accordance ith HKFRS 9 *Financial Instruments* in Year 2025.

[illegible]

The lo from the fair al e of the in e tment propertie of the Gro p increa ed from appro imatel HK$72,301,000 for Year 2024 to appro imatel HK$144,141,000 for Year 2025, mainl attrib table to the decrea e in the fair al e of the Gro p' in e tment propert located in Beijing a at 31 December 2025, a compared ith that a at 31 December 2024.

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Finance costs

The finance costs of the Group decreased from approximately HK$439,055,000 for Year 2024 to approximately HK$396,917,000 for Year 2025, which was mainly due to (i) the reduction in the interest rate of one of the loans granted by a financial institution to the Group by one-third during Year 2025; and (ii) a one-off surcharge on borrowing incurred by the Group during Year 2024, which was absent in Year 2025.

Share of losses of associates

The increase in the Company's share of losses of associates from approximately HK$10,702,000 for Year 2024 to approximately HK$73,774,000 for Year 2025, was mainly contributed by the increase in the Company's share of the loss of Guangzhou Ruifeng, an associate of the Company, from approximately HK$1,000 for Year 2024 to approximately HK$73,774,000 for Year 2025, as a result of the decline in the performance of the real estate projects held by Guangzhou Ruifeng in the PRC during the year under review.

Share of losses of joint ventures

The Company's share of losses of joint ventures decreased from approximately HK$112,325,000 for Year 2024 to approximately HK$32,217,000 for Year 2025, which was primarily attributable to (i) the decrease in the Company's share of the loss of Beijing Lingjun, a joint venture of the Company, from approximately HK$32,065,000 for Year 2024 to approximately HK$15,905,000 for Year 2025, mainly caused by the initiative undertaken by the photovoltaic cell module project company invested by Beijing Lingjun to expand its R&D capability in photovoltaic battery technology during Year 2024; (ii) the Company's share of the profit of Zhong Hai You Qi, a joint venture of the Company, of approximately HK$5,543,000 for Year 2025, as compared with its share of the loss of Zhong Hai You Qi of approximately HK$80,258,000 for Year 2024, arising from the stable demand for refined oil products during the year under review; and (iii) the increase in the Company's share of the loss of Meizhou City Ji Shan, a joint venture of the Company, from approximately HK$1,000 for Year 2024 to approximately HK$21,855,000 for Year 2025, mainly due to the continuing decline of the real estate market in the PRC during the year under review.

Accrued charges, rental deposits and other payables

The increase in the Group's accrued charges, rental deposits and other payables from approximately HK$701,960,000 as at 31 December 2024 to approximately HK$1,010,891,000 as at 31 December 2025 was mainly attributable to the increase in the amount of interest payable accrued by the Group as at 31 December 2025 as compared with that as at 31 December 2024, as a result of the interest expenses and surcharges accrued by the Group on the entrusted loans in the aggregate outstanding principal amount of approximately RMB1,880 million (equivalent to approximately HK$2,082 million) as at 31 December 2025, which were owed by 東環(北京)物業管理有限公司 (East Gate (Beijing) Property Management Co., Ltd.*) ([illegible]), a wholly-owned subsidiary of the Company.

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[illegible]

The Group adopts a conservative treasury policy under which the Group keeps its investment costs under control and manages the returns of its investments efficiently. The Group has guidelines in place to monitor and control its investment risk exposure and to manage its capital. The Group also strives to reduce its exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. The Board closely reviews the Group's liquidity position to ensure the Group has adequate liquidity to meet its funding requirements at all times.

[illegible]

	2025	2024
	HK$'000	*HK$'000*
Restricted bank balances	**17,932**	8,518
Cash and bank balances	**10,273**	4,908
Total	**28,205**	13,426

As at 31 December 2025, the Group's cash and bank balances were denominated in the following currencies:

	2025	2024
HK$	**4.1%**	26.3%
RMB	**95.9%**	73.4%
US$	**–**	0.3%
	100.0%	100.0%

The Group conducted its business almost exclusively in RMB except that certain transactions were conducted in HK$ and United Sates dollars ([illegible]). The conversion of RMB into HK$, US$ or other foreign currencies has been based on the rates set by the People's Bank of China. The value of RMB against HK$, US$ and other foreign currencies may fluctuate and is affected by factors such as changes in the PRC's political and economic conditions. The Group has not adopted any financial instruments for hedging purposes. However, the Group will constantly assess the foreign exchange risk it encounters so as to decide on the hedging policy required against the possible foreign exchange risk that may arise.

[illegible]

As at 31 December 2025, the Group's total borrowings amounted to approximately HK$3,531,308,000 in aggregate. The composition of these borrowings is summarised below:

	2025	2024
	HK$'000	*HK$'000*
Short term borrowings	**3,153,314**	3,411,554
Long term borrowings	**377,994**	34,166
Total borrowings	**3,531,308**	3,445,720
Cash and bank balances	**10,273**	4,908
Net borrowings	**3,521,035**	3,440,812

Interests for all borrowings of the Group for Year 2025 were charged at fixed and floating rates ranging from 5.0% per annum to 27.6% per annum (Year 2024: 3.7% per annum to 27.6% per annum).

As at 31 December 2025, the long and short term borrowings of the Group which remained outstanding were denominated as follows:

	2025	2024
	HK$'000	*HK$'000*
RMB	**3,531,308**	3,445,720

As at 31 December 2025, the long and short term borrowings of the Group which remained outstanding carried at fixed and floating interest rates as follows:

	2025	2024
	HK$'000	*HK$'000*
Fixed interest rate	**1,444,923**	1,406,758
Floating interest rate	**2,086,385**	2,038,962
	3,531,308	3,445,720

As at 31 December 2025, the maturity profile of the long and short term borrowings of the Group was as follows:

	2025	2024
	HK$'000	*HK$'000*
Bank loans repayable:		
Within one year or on demand	**128,791**	142,979
Other loans repayable:		
Within one year or on demand	**3,024,523**	3,268,575
In the second year	**321,514**	334
In the third to fifth years, inclusive	**56,480**	33,520
Over five years	**–**	312
	3,402,517	3,302,741
	3,531,308	3,445,720

As at 31 December 2025, the gearing ratio (calculated as interest-bearing bank and other borrowings, over equity attributable to owners of the Company) and the current ratio (calculated as current assets over current liabilities) of the Group were 253% (31 December 2024: 148%) and 0.58 (31 December 2024: 0.67) respectively. These ratios are key performance indicators used by the management of the Group to measure the Group's level of leverage to ensure the Group has the liquidity to meet its financial obligations at all times. The Group will strive to improve its liquidity by expediting the collection and/or disposal of its outstanding loan receivables and the disposal of its financial assets investments (including its equity investments and non-performing assets portfolio).

As at 31 December 2025, the Group had cash and bank balances of approximately HK$10 million and the Group's interest-bearing bank and other borrowings with an aggregate carrying amount of approximately HK$3,153 million are due to be repaid within 12 months from the end of the reporting period, including borrowings of approximately HK$2,282 million which has not been repaid according to the scheduled repayment date before the end of the reporting period. In June 2024, a court order in the Chinese Mainland has been issued to freeze certain bank balances and other assets of the Group due to the non-payment of an overdue other borrowing with an outstanding principal amount of approximately HK$196 million ([illegible]). Up to the date of approval of this announcement, except for the Overdue Other Borrowing, the Group has not received any demand for immediate repayment of its bank and other borrowings. The Group has been actively liaising with the lender for settlement of the court order in relation to the Overdue Other Borrowing and negotiating with the relevant lenders for extension of the repayment date of certain of the aforesaid borrowings. The Directors are of the view that the frozen assets do not have material impact on the Group's financial position and operation.

In addition, on 27 June 2024, the Company and Guangdong Zhuguang Group Company Limited* (廣東珠光集團有限公司) ([illegible]) entered into a loan assignment agreement (as amended and supplemented by the supplemental agreement dated 22 January 2025) ([illegible]), pursuant to which the Company has agreed to sell and transfer, and Guangdong Zhuguang has agreed to purchase from the Company all the rights, title, benefits and interest of the Company to, in and under the loan agreements ([illegible]) entered into between the Company together with its wholly-owned subsidiaries as lenders and a total of 54 independent third party borrowers (including but not limited to the loans ([illegible]) with total outstanding principal amount and interest of approximately RMB2,201 million (equivalent to approximately HK$2,512 million) as at 31 December 2025 advanced by the Group under the Loan Agreements and all securities created thereunder) accruing thereto from 1 January 2024 ([illegible]), whereas the consideration shall be satisfied by Guangdong Zhuguang by (i) entering into a deed of novation to assume the obligations of Beijing East Gate under two entrusted loan agreements ([illegible]) (including but not limited to the repayment obligation of the underlying entrusted loans ([illegible]) in the aggregate outstanding principal amount of approximately RMB1,880 million (equivalent to approximately HK$2,075 million), the release of all existing charges, guarantee and pledge of shares, and the provision of new charge(s), guarantee and/or pledge of shares pursuant to the requests of the entrusting party and the lender, if required) ([illegible]); and (ii) assignment of certain car parking spaces located in the Guangdong province of the PRC ([illegible]), at completion of the transactions ([illegible]) contemplated under the Loan Assignment Agreement ([illegible]). Completion is conditional upon and subject to, among others, the passing by the shareholders of the Company at an extraordinary general meeting ([illegible]) convened by the Company of all necessary resolution(s) to approve the Loan Assignment Agreement and the Transactions. At the EGM held on 28 February 2025, the Loan Assignment Agreement and the Transactions have been approved by the shareholders of the Company. The Transactions, if materialised, would provide a good opportunity to the Group to substantially recover a large portion of the outstanding amount owed to the Group under the Loan Agreements within a foreseeable timeframe and in a relatively short period of time, thereby minimising the uncertainty and the credit risk associated with the Loan Interest and the administrative cost to be incurred by the Group for collecting the outstanding Loan Interest, and the Debt Novation would provide a good opportunity for the Group to settle the Entrusted Loans as the rights and liabilities of the Group under the Entrusted Loan Agreements would be discharged.

The transfer of the Target Properties to the Group would allow the Group to enlarge and diversify its investment properties portfolio with high quality assets, as well as to strengthen the income base of the Group and to generate stable cash flows to the Group.

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As more time was required to fulfil the conditions to the Loan Assignment Agreement, in particular, the completion of the Debt Novation, completion of the Loan Assignment Agreement did not take place on or before 31 December 2025, being the long stop date ([illegible]) prescribed under the Loan Assignment Agreement. As at the date of this announcement, the parties to the Loan Assignment Agreement are still discussing and finalising the supplemental agreement to the Loan Assignment Agreement to extend the Long Stop Date and amend the conditions to the Loan Assignment Agreement.

Further details of the Loan Assignment Agreement and the Transaction are set out in the announcements of the Company dated 27 June 2024, 31 July 2024, 30 August 2024, 30 September 2024, 31 October 2024, 31 December 2024, 22 January 2025 and 31 December 2025 and the circular of the Company dated 12 February 2025.

In view of the above circumstances, the Directors have given careful consideration to the Group's future liquidity requirements, operating performance and available sources of financing in assessing the Group's ability to continue operating as a going concern. The following plans and measures are formulated to manage the working capital and improve the financial position of the Group:

(i) the Group will continue to implement measures for the disposal of the outstanding loan receivables and loan interest receivables;

(ii) the Group will continue to take measures to expedite the disposal of the financial asset investments, including equity investments and non-performing asset portfolio;

(iii) the Group will continue its negotiations with the lenders of certain bank and other borrowings or other financial institutions on the refinancing of the borrowings; and

(iv) the Group will obtain additional credit facilities from existing and other lenders as and when needed.

The Directors have reviewed the Group's cash flow projections prepared by the management, which cover a period of not less than 12 months from 31 December 2025. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within 12 months from 31 December 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements of the Group on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend on (i) the successful and timely implementation of the plans and measures for the disposal of the outstanding loan receivables and loan interest receivables; (ii) the successful and timely implementation of the plans for the disposal of the financial asset investments; (iii) the continual support from the existing lenders of the Group such that they will not demand for immediate repayment of the relevant borrowings; and (iv) the successful obtaining of new sources of financing as and when needed.

Sho ld the Gro p be nable to achie e the abo e-mentioned plan and mea re and operate a a going concern, adj tment o ld ha e to be made to rite do n the carr ing al e of the Gro p' a et to their reco erable amo nt , to pro ide for an f rther liabilitie hich might ari e and to recla if non-c rrent a et and non-c rrent liabilitie a c rrent a et and c rrent liabilitie , re pecti el . The effect of the e adj tment ha e not been reflected in the e con olidated financial tatement .

[illegible]

On 24 Febr ar 2025, Beijing Ea t Gate and Mr. Li R i ([illegible] together ith Beijing Ea t Gate, the [illegible]), an independent third part , entered into a ale and p rcha e agreement ([illegible]), p r ant to hich Mr. Li ha agreed to p rcha e, and Beijing Ea t Gate ha agreed to ell, a re idential propert of gro area of 173.49 q are metre it ated at Le el 4, North Apartment To er, Ea t Gate Pla a, 19 Dong hong Street, Dongcheng Di trict, Beijing, the PRC ([illegible]), at the con ideration of RMB10,200,000 (eq i alent to appro imatel HK$11,062,000) ([illegible]). A the regi tration of the tran fer of the Propert from Beijing Ea t Gate to Mr. Li co ld not be effected on or before 14 April 2025 in accordance ith the SPA and the Partie co ld not agree on the e tended date of completion of the tran action contemplated nder the SPA, on 20 J ne 2025, the Partie entered into a termination agreement p r ant to hich, among other , ith effect from 20 J ne 2025, the SPA hall be terminated, thereb relea ing and di charging each of the Partie from it obligation , d tie and liabilitie nder the SPA ([illegible]). F rther detail of the Febr ar Di po al and the Termination are et o t in the Compan ' anno ncement dated 24 Febr ar 2025 and 20 J ne 2025, re pecti el .

On 25 March 2025, Beijing Ea t Gate and Hang ho G ang ao Zhi in Zheng e Enterpri e Management Con lting Partner hip (Limited Partner hip)* (杭州光曜致新正澤企業管理諮詢合夥企業(有限合夥)) ([illegible]) entered into (i) the fir t ale and p rcha e agreement, p r ant to hich Hang ho G ang ao ha agreed to p rcha e, and Beijing Ea t Gate ha agreed to ell, the re idential propert of gro area of 173.01 q are metre it ated at Le el 4, North Apartment To er, Ea t Gate Pla a, 19 Dong hong Street, Dongcheng Di trict, Beijing, the PRC at the con ideration of RMB10,438,000 (eq i alent to appro imatel HK$11,302,000) ([illegible]); and (ii) the econd ale and p rcha e agreement, p r ant to hich Hang ho G ang ao ha agreed to p rcha e, and Beijing Ea t Gate ha agreed to ell, the re idential propert of gro area of 275.48 q are metre it ated at Le el 4, North Apartment To er, Ea t Gate Pla a, 19 Dong hong Street, Dongcheng Di trict, Beijing, the PRC at the con ideration of RMB16,611,000 (eq i alent to appro imatel HK$17,986,000) ([illegible] , together ith the Fir t March Di po al, the [illegible]). The March Di po al ere completed in April 2025. F rther detail of the March Di po al are et o t in the Compan ' anno ncement dated 25 March 2025.

Sa e for the abo e and the Con tr ction Work, the Gro p did not ha e an material acq i ition or di po al d ring Year 2025.

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[illegible]

A at 31 December 2025, certain in e tment propertie , and plant and machiner of the Gro p ith aggregate carr ing al e of appro imatel HK$1,858,250,000 and appro imatel HK$2,487,000 re pecti el (31 December 2024: HK$1,963,283,000 and HK$2,523,000), ere pledged to ec re general banking facilitie granted to the Gro p, and other loan and other pa able d e to an independent third part .

[illegible]

A at 31 December 2025, the Gro p had capital e pendit re contracted for b t not pro ided for in re pect of the p rcha e of propert , plant and eq ipment of appro imatel HK$9,849,000 (31 December 2024: HK$4,204,000) and nli ted eq it   ec ritie of appro imatel HK$55,000 (31 December 2024: Nil). It i e pected that the capital e pendit re ill be ettled b ca h thro gh internal re o rce of the Gro p.

[illegible]

A at 31 December 2025, the Gro p pro ided corporate g arantee of appro imatel HK$518,320,000 (31 December 2024: HK$1,596,748,000) in re pect of loan granted to a joint ent re of the Compan .

[illegible]

A at 31 December 2025, the hareholder ' f nd of the Gro p decrea ed b appro imatel HK$929,013,000 to appro imatel HK$1,394,538,000 (31 December 2024: HK$2,323,551,000), repre enting a decline of appro imatel 40.0%. The decrea e a mainl d e to the lo attrib table to the o ner of the Compan in Year 2025.

[illegible]

The Gro p had in aggregate 55 emplo ee in Hong Kong and the PRC a at 31 December 2025 (31 December 2024: 45). The Gro p' o erall taff co t amo nted to appro imatel HK$45,216,000 for Year 2025 (Year 2024: HK$53,841,000). The emplo ee of the Gro p are rem nerated according to their re pecti e job nat re, market condition , indi id al performance and q alification . Other taff benefit incl de ann al bon   and retirement benefit . The Director ' rem neration i determined ba ed on their q alification , e perience, d tie and re pon ibilitie , the Compan ' rem neration polic and the pre ailing market condition .

The Gro p enco rage   tainable training of it emplo ee thro gh coaching and f rther t die . In-ho e training a pro ided to eligible emplo ee d ring Year 2025, incl ding training on pdate of acco nting tandard and market pdate .

The Gro p ha not e perienced an ignificant problem with it emplo ee or di r ption to it operation d e to labo r di cipline nor ha it e perienced an diffic lt in the recr itment and retention of e perienced taff. The Gro p ha maintained a good relation hip with it emplo ee . Certain enior management and taff ha e been working for the Gro p for man ear .

[illegible]

The Compan aim to ma imi e the intere t of it hareholder and at the ame time maintaining a trong and health financial po ition, o a to prepare the Gro p for in e tment opport nitie that ma ari e from time to time and it tainable de elopment in the f t re. In deciding whether to propo e a di idend and in determining the di idend amo nt, the Board will take into acco nt the Gro p' earning performance, financial po ition, in e tment req irement and f t re pro pect . In addition, the Board will al o take into acco nt an re tricti e co enant impo ed b bank and other f nding facilitie granted to the Gro p from time to time and an other factor the Board ma deem appropriate and/or rele ant.

The Board ha re ol ed not to recommend the pa ment of a final di idend for Year 2025 (Year 2024: Nil).

[illegible]

The Compan i committed to e tabli hing and maintaining a tandard of corporate go ernance that i con i tent with market practice . The Compan complied with all the applicable code pro i ion et o t in the Corporate Go ernance Code ([illegible]) contained in Part 2 of Appendi C1 to the R le Go erning the Li ting of Sec ritie on The Stock E change of Hong Kong Limited ([illegible]) then in force thro gho t Year 2025, e cept for the de iation pecified below:

Code pro i ion C.2.1 of the CG Code tip late that the role of chairman and chief e ec ti e ho ld be eparate and ho ld not be the ame indi id al. D ring the ear nder re iew, the Compan did not ha e a eparate chairman and chief e ec ti e officer a Mr. Ch Hing T ng a med both the role of the chairman ([illegible]) and one of the co-chief e ec ti e officer of the Compan . The Board belie e that e ting both the role of the chairman and the co-chief e ec ti e officer in the ame per on ha the benefit of en ring con i tent leader hip within the Gro p and enable more effecti e and efficient o erall trategic planning for the Gro p. The Board con ider that the balance of power and a thorit for the pre ent arrangement will not be impaired and thi tr ct re will enable the Compan to make and implement deci ion efficientl .

Code pro i ion F.2.2 of the CG Code tip late that the Chairman ho ld attend the ann al general meeting of the Compan . Mr. Ch Hing T ng, the Chairman, did not attend the ann al general meeting of the Compan held on 25 J ne 2025 ([illegible]) d e to illne . The Chairman will endea or to attend all f t re ann al general meeting of the Compan nle ne pected or pecial circ m tance pre enting him from doing o.

Pursuant to code provision B2.4(b) of the CG Code, where all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at the forthcoming annual general meeting. As at the date of the AGM, all the independent non-executive Directors, namely, Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming, had served more than nine years on the Board. However, the Company was unable to appoint a new independent non-executive Director to the Board at the AGM as it was still in the course of identifying a suitable candidate then. The Company will publish further announcement(s) when the relevant appointment is made.

[illegible]

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules then in force as its own code of conduct regarding Directors’ securities transactions in Year 2025. All Directors have confirmed that, following specific enquiry by the Company, they complied with the required standards set out in the Model Code throughout Year 2025.

[illegible]

During Year 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares).

[illegible]

The audit committee of the Company has reviewed and accepted the Group’s annual results for Year 2025.

[illegible]

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for Year 2025 as set out in this announcement have been agreed by the Company’s auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group’s draft consolidated financial statements for Year 2025. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement and consequently, no opinion or assurance conclusion has been expressed by ZHONGHUI ANDA CPA Limited on this announcement.

A A

On behalf of the Board, I o ld like to e pre m appreciation and gratit de to tho e re igned director for their contrib tion and er ice to the Gro p d ring their ten re and gi e m armer t elcome to tho e ne l appointed director for joining o r Gro p. Moreo er, I o ld like to e pre m appreciation and gratit de to o r hareholder for their pport and all the Gro p' emplo ee for their hard ork and dedication in carr ing o t their d tie and in achie ing the Gro p' b ine goal.

On behalf of the Board

Chairman, Co-Chief Executive Officer
and Executive Director

Hong Kong, 30 March 2026

As at the date of this announcement, the Board comprises Mr. Chu Hing Tsung (alias Zhu Qing Yi) (Chairman and Co-Chief Executive Officer), Mr. Zhang Wenguang (Co-Chief Executive Officer), Mr. Weng Jian and Ms. Ku Ka Lee as executive Directors; Mr. Chen Zhiwei and Mr. Chen Yongcun as non-executive Directors; and Mr. Liang Qing, Mr. Zhang Lu and Mr. Hung Muk Ming as independent non-executive Directors.