

Empower Your Wealth with Our Talent



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CORPORATE PROFILE

CFSG – Culture of Excellence

Headquartered and listed in Hong Kong (SEHK: 510), CASH Financial Services Group (“CFSG”) is committed to managing wealth and asset inheritance for our clients over the past 50 years. Our culture of excellence drives our ongoing focus on sustainable growth, integrity and innovation, serving a diversified client base that includes corporations, financial institutions and individual investors.

Full-Licensed Operations, Providing Comprehensive Financial and Wealth Management Services

Established in 1972, CFSG is one of few full-licensed Hong Kong financial services institutions currently holding SFC Type 1, 2, 4, 5 and 9 licenses. Providing comprehensive financial and wealth management services, CFSG is also a licensed money lender in Hong Kong, a licensed insurance broker registered with the Hong Kong Insurance Authority, a licensed Trust or Company Service Provider, and a Principal Intermediary registered with the Hong Kong Mandatory Provident Fund Authority.

From Hong Kong’s Firm Foothold to Serve Well as the Hub Connecting the Domestic and Global Markets

CFSG is branching out beyond firm foundations in Hong Kong to serve well as the hub connecting the domestic and global markets. Wealth management centres are established in Hong Kong, Shanghai, Shenzhen and Qingdao, with more centres and strategic alliances planned in the three major national economic development areas: the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta, and the Bohai Rim, to provide even more comprehensive wealth management and financial services to individuals and financial institutions.

At Forefront of FinTech, Innovating Financial Services

CFSG has always been a pioneer in FinTech development, investing heavily in groundbreaking innovations that reshape the financial services industry.

Since becoming the first financial institution in Hong Kong to provide online securities and futures trading services in 1998, CFSG has been adopting advanced technology solutions to meet the growing demand in investment services.

In recent years, CFSG launched a cutting-edge mobile trading app, Alpha i with the aim of enhancing the user experience and service quality. The new digital platform provides FinTech services to a new generation of tech-savvy and mobile-driven millennial investors.

In response to the growing demand for innovative financial solutions, CFSG has developed Hong Kong’s first no-code AI algorithmic trading platform, Quantphemes, democratising professional quantitative trading. The revolutionary “Chat to Strategy” technology of Quantphemes enables investors to create, backtest, and execute sophisticated trading strategies using natural language, while its library of over 100 pre-built strategies allows for instant deployment.

As a wealth management expert, CFSG will integrate different advantages of traditional and new financial assets to develop a full range of wealth management business, providing our clients with more choices while actively advancing Hong Kong’s position as an international FinTech centre.

Professional Management with Wide Range of Expert Experience

CFSG’s management team has extensive experience of the regional regulations and regulated activities in Hong Kong, Mainland China and global markets; comprising highly educated, qualified professionals in various financial services specialties. Group businesses are managed by responsible officers and representatives of these regulated activities under different established regulators.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive:

KWAN Pak Hoo Bankee (Chairman, ED & CEO)
KWAN Teng Hin Jeffrey (ED & Deputy CEO)
CHEUNG Tsz Yui Morton (ED & CFO)
WONG Sze Kai Angela (ED)
LAI Wai Kwong Daryl (ED)

Independent Non-executive:

CHENG Shu Shing Raymond
LO Ming Chi Charles (*resigned on 1 September 2025*)
CHAN Ho Wah Terence
LUKE Wing Sheung Suzanne (*appointed on 1 September 2025*)

AUDIT COMMITTEE

CHENG Shu Shing Raymond (committee chairman)
LO Ming Chi Charles (*resigned on 1 September 2025*)
CHAN Ho Wah Terence
LUKE Wing Sheung Suzanne (*appointed on 1 September 2025*)

REMUNERATION COMMITTEE

CHENG Shu Shing Raymond (committee chairman)
LO Ming Chi Charles (*resigned on 1 September 2025*)
LUKE Wing Sheung Suzanne (*appointed on 1 September 2025*)
KWAN Pak Hoo Bankee

NOMINATION COMMITTEE

KWAN Pak Hoo Bankee (committee chairman)
CHENG Shu Shing Raymond
LO Ming Chi Charles (*resigned on 1 September 2025*)
LUKE Wing Sheung Suzanne (*appointed on 1 September 2025*)

COMPANY SECRETARY

CHEUNG Suet Ping Ada

AUTHORISED REPRESENTATIVES

KWAN Pak Hoo Bankee
(alternate: KWAN Teng Hin Jeffrey)
CHEUNG Tsz Yui Morton
(alternate: CHEUNG Suet Ping Ada)

PRINCIPAL BANKERS

Bank of Communications (Hong Kong) Limited
Bank of Communications Co. Ltd., Hong Kong Branch
OCBC Bank (Hong Kong) Limited
The Hong Kong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
Chong Hing Bank Limited
The Bank of East Asia, Limited
Shanghai Commercial Bank Ltd.

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

SOLICITORS

Sidley Austin

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

28/F Manhattan Place
23 Wang Tai Road
Kowloon Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F Far East Finance Centre
16 Harcourt Road
Hong Kong

WEBSITE

www.cfsg.com.hk

STOCK CODE ON MAIN BOARD

510

CONTACTS

Telephone : (852) 2287 8788
Facsimile : (852) 2287 8700

CHAIRMAN'S LETTER

Dear Fellow Shareholders,

The past year was defined by both resilience and strategic conviction. In an environment marked by geopolitical uncertainty, market volatility, and structural shifts across global capital markets, our group not only navigated these complexities but emerged with a sharper strategic focus, a strengthened platform, and a clear trajectory toward sustained leadership.

A Year of Strategic Advancement

Hong Kong's financial services sector in 2025 demonstrated remarkable resilience. Real GDP growth of 3.5%, a dramatic recovery in capital raising activity, and sustained momentum in asset management underscored the city's enduring role as a premier international financial hub. Yet beneath these positive aggregates, the operating environment remained complex – geopolitical tensions, tariff escalations, and a vulnerable property market tested the agility and foresight of market participants.

Against this backdrop, our group pursued a deliberate strategy of forward-looking differentiation. Rather than simply reacting to market conditions, we made strategic investments in innovation, deepened our client-centric capabilities, and broadened our platform to capture emerging structural trends. Our strategic focus extended beyond navigating near-term economic headwinds; it was anchored in strengthening our resilience, enhancing operational flexibility, and positioning the group to capitalise on opportunities as market conditions improve.

CFSG: Building an Integrated Wealth Management Platform

In CFSG, we advanced a clear strategic vision – to build an integrated wealth management platform that addresses the full lifecycle of client needs. This vision guided our actions throughout the year.

A cornerstone of this strategy was the launch of Quantphemes, Hong Kong's pioneering AI-powered quantitative trading platform. This initiative was not a standalone product launch, but a deliberate step toward democratising advanced investment tools – bridging the gap between institutional-grade technology and the broader investing public. Quantphemes reflects our conviction that the future of financial services lies at the intersection of artificial intelligence, accessibility, and client empowerment. The platform's industry recognition, including the ET Net "Financial Tech Awards" for Outstanding Artificial Intelligence Algorithm Trading Platform, affirmed our leadership in this space.

In wealth management, we pursued a strategy of deepening client relationships by expanding the scope of our Family Office services. Rather than offering discrete products, we are building an integrated platform that addresses the full lifecycle of client needs – from asset protection and wealth appreciation to cross-border mobility and next-generation education. This strategic pivot culminated in the expansion of our 3I (Investment, Insurance & Immigration) services and the groundwork for a dedicated Immigration & Education Centre, positioning us to serve high-net-worth families with a truly comprehensive offering. Concurrently, our capital markets capabilities were reinforced through selective participation in high-profile IPOs, enhancing our credibility and network within the broader financial ecosystem.

To strengthen the investment link between Hong Kong and Mainland China, we have built a robust on-the-ground presence with offices in Shenzhen, Shanghai, and Qingdao. By positioning ourselves strategically across the Greater Bay Area, the Yangtze River Delta, and the Jing-Jin-Ji region, we are uniquely positioned to serve both local clients and those looking to access Mainland China's three key economic growth engines.

Our digital engagement strategy was pursued with the same degree of strategic focus. We made targeted investments to extend our brand presence across Greater China, focusing on platforms where our target audiences increasingly seek financial education and insights. The resulting growth in our social media following – particularly on Xiaohongshu and Douyin – reflects not merely marketing success, but a strategic expansion of our reach into key demographic segments. This positions us to capture a larger share of the wealth management market in the years ahead.

Throughout these initiatives, we remained guided by a philosophy that combines the "human touch" with AI-driven efficiency. We believe that in an increasingly digital world, genuine relationships, trust, and personalised service remain as our irreplaceable competitive advantages. Our platform has been deliberately built to integrate technology with a high-touch service model that reinforces these strengths.

CHAIRMAN'S LETTER

CAFG: Disciplined Algo Fund Management Amid Market Complexity

In our algo trading business, CAFG, we maintained a disciplined focus on strategic resilience. Our fund management activities demonstrated the value of a diversified, research-driven approach in navigating volatile market conditions.

The CASH Prime Value Equity Fund delivered a 35% return in 2025, outperforming the Hang Seng Index and achieving a cumulative gain of 58% since its inception in September 2022. This performance was not accidental; it reflected our systematic integration of fundamental research with quantitative screening, and our strategic focus on high-growth sectors such as consumer, technology, and financials. During the year, we strategically expanded the fund's mandate to include stock lending, derivatives, and futures – enhancing our ability to generate diversified income streams and manage risk with greater flexibility during periods of market dislocation.

Meanwhile, the CASH Multi Strategy Fund, a dollar-neutral commodity arbitrage strategy, faced significant headwinds as trade tensions and geopolitical disruptions created extreme price distortions in metals futures. While the fund experienced its largest drawdown since launch, we view this not as a setback but as a testament to the inherent volatility of the strategy's opportunity set. Importantly, the fund recovered part of its losses in the latter half of the year as markets adjusted, reaffirming the robustness of its underlying framework. In a world of geopolitical fragmentation and shifting economic power, strategies with low correlation to broader market volatility and traditional asset classes will become increasingly critical – and we remain confident in the Multi Strategy Fund's role as a strategic hedge within a broader portfolio context.

We also made significant progress in product innovation, advancing the development of a new thematic strategy focused on virtual assets. Leveraging our quantitative research capabilities and AI-driven analytics, this initiative aligns with our long-term objective of diversifying our product offerings and capturing emerging growth opportunities in alternative investments.

Positioning for the Future

Looking to 2026 and beyond, our strategic priorities are clear. We expect Hong Kong's capital markets to shift from rebound to sustained expansion, supported by capital inflows, improving corporate earnings, and ongoing listing regime reforms. With over 350 IPO applications submitted by year-end, 2026 fundraising volumes are projected to reach HKD350 billion – surpassing 2025 levels. Our group is well-positioned to participate in this growth, with our expanded mandate and data-driven approach supporting flexible portfolio management.

In global commodities, macro conditions favour continued strength in precious metals. Expected U.S. Federal Reserve rate cuts, a softer U.S. dollar, and persistent geopolitical uncertainty will sustain interest in gold and silver, while China's supportive fiscal and monetary stance is expected to further drive metal demand. Our Multi Strategy Fund demonstrates its value for investors seeking stable returns and portfolio diversification in this environment.

Across both CFSG and CAFG, we will continue to embed AI technologies into research, trading strategy development, and risk management workflows. We will deepen our family office presence across Greater China, targeting high-net-worth inflows from immigration and talent schemes. And we will maintain our commitment to operational excellence, data-driven decision-making, and client-centric innovation.

CHAIRMAN'S LETTER

A Stronger Group, Poised to Lead

As I reflect on 2025, I take measured confidence in the strategic progress we achieved – progress that has strengthened our resilience and positioned us for sustainable growth. We have made strategic considerations to invest in innovation, to deepen our client relationships, and to broaden our capabilities in ways that position us for sustainable growth.

The economic doldrums of recent years have tested the resilience of many market participants. Our group has not only weathered these challenges but has emerged stronger, with a sharper strategic focus, a more diversified platform, and a clear vision for the future. We are now well-positioned to reap the benefits of the gradual economic recovery and to weather any future economic uncertainties with confidence.

I extend my sincere gratitude to our dedicated management team and all our employees for their commitment and hard work. I also thank our shareholders, clients, and partners for their continued trust and support. Together, we are building a financial services group that does not merely weather the storm – it charts the course beyond it.

Yours sincerely,

A handwritten signature in black ink that reads "Bankee Kwan" followed by a horizontal line.

Dr Bankee P. Kwan, BBS, JP

Chairman & CEO

FINANCIAL REVIEW

For the year ended 31 December 2025, the Group recorded revenue of approximately HK\$67.2 million. This represents an increase of 32.3% as compared to the previous year's revenue of approximately HK\$50.8 million. The Group's main revenue comprised of broking income of approximately HK\$16.8 million (2024: HK\$11.8 million), provision of wealth management services of approximately HK\$16.5 million (2024: HK\$6.6 million), approximately HK\$18.8 million from investment management services (2024: HK\$5.1 million), interest income of approximately HK\$12.4 million (2024: HK\$22.8 million), and approximately HK\$2.7 million from handling and other services (2024: HK\$4.5 million).

2025 marked a strong rebound for Hong Kong's capital markets, with trading volumes and fundraising activities surging significantly, reclaiming its spot as a top global IPO hub. The average daily turnover of Hong Kong securities market in 2025 was HK\$249.8 billion, increased from HK\$131.8 billion in 2024, which led to an increase in broking income from HK\$11.8 million in 2024 to HK\$16.8 million in 2025.

The Group's income from the provision of wealth management services increased significantly (2025: HK\$16.5 million; 2024: HK\$6.6 million). The notable growth in our wealth management and family office business reflected its continued development and expansion, driven primarily by strategic progress in key regions of Mainland China and enhanced product offerings. These results demonstrated the effectiveness of the Group's focused strategy to build a robust wealth management platform in priority economic regions.

Geopolitical conflicts during the year introduced significant fluctuations in global equity and commodity markets, heightening volatility and creating opportunities for certain investment strategies to effectively capture alpha from market dislocations. These dynamic conditions enabled our managed funds to deliver strong performance, contributing to robust growth in investment management services. Revenue from investment management services increased by approximately 268.6% to HK\$18.8 million in 2025 (2024: HK\$5.1 million), primarily driven by a substantial rise in assets under management alongside meaningful performance fee income earned from our managed funds. This strong year-on-year improvement demonstrated the effectiveness of our active management approach and the resilience of our strategies in navigating an uncertain and volatile market landscape.

The decrease in interest income of approximately HK\$10.4 million (2025: HK\$12.4 million; 2024: HK\$22.8 million) and finance cost of approximately HK\$5.4 million (2025: HK\$4.6 million; 2024: HK\$10.0 million) was mainly attributed to the decrease in market interest rates. To optimize returns, the Group actively reallocated its idle cash to term deposits during the year.

Salaries and related benefits increased by 29.5% (2025: HK\$58.9 million; 2024: HK\$45.5 million), mainly attributable to the one-off performance related incentives. These comprised share award expenses and share options expenses amounting to HK\$10.4 million during the year.

Commission expenses increased to HK\$11.9 million in 2025 (2024: HK\$4.8 million), representing an increase of 148%. This growth was in line with the increase in broking income and income from provision of wealth management services.

Depreciation decreased to HK\$6.8 million in 2025 (2024: HK\$10.6 million), mainly due to the renewal of lease terms during the year.

Overall, the Group recorded a net loss attributable to the owners of the Company of approximately HK\$38.5 million during the year as compared to a net loss attributable to the owners of the Company of approximately HK\$35.1 million in 2024.

Impairment Allowances

Impairment allowance mainly consisted of provision for credit losses on accounts receivables arising from margin financing and loans receivables, the Group performs impairment assessment on these financial assets under the impairment framework and methodology of expected credit loss ("ECL") model established by the Group in accordance with HKFRS 9 "Financial instruments".

To minimise the credit risk on accounts receivables arising from margin financing and loans receivable, the Credit and Risk Management Committee is responsible for reviewing credit and risk management policies, approving credit limits and to determining any debt recovery actions on delinquent receivables. The assessment is based on close monitoring, evaluation of collectability and on management's judgement, including but not limited to ageing analysis of receivables, the current creditworthiness, account executives concentration analysis, collateral distribution and concentration analysis and the past collection history of each client, and consideration of forward looking factors. In this regard, the directors of the Company consider that the Group's credit risk is maintained at an acceptable level.

FINANCIAL REVIEW

The accounts receivables arising from margin financing are collateralised by pledged shares of margin clients. As at 31 December 2025, the Group had concentration of credit risk on the accounts receivables from margin clients as the aggregate balances with the five largest clients represent approximately 66.2% (2024: 61.0%) of total accounts receivables from margin clients. During the year, margin financing with the total gross carrying amount of approximately HK\$26.7 million as at 31 December 2025 (2024: HK\$80.3 million) was assessed as credit-impaired mainly due to further decline in the market price of listed securities pledged as collateral in the year and failure of the margin borrowers to fully make up the margin shortfall by providing additional collaterals or repayment. Additional impairment provision with a total amount of approximately HK\$0.04 million (2024: HK\$0.5 million) was made for the year.

For credit-impaired accounts receivable from margin clients, management performs individual assessment for each client by considering various factors, including the realisable value of securities or collateral from clients which are held by the Group and subsequent settlement actions.

During the year ended 31 December 2025, the Group writes off loan receivable amounting to HK\$1.24 million (2024: nil) when there was information indicating that the debtor was in severe financial difficulty and there was no realistic prospect of recovery, such as when the debtor was placed under liquidation or entered into bankruptcy proceedings. The Group has taken legal action against the debtors to recover the amount due.

The Group has debt recovery procedures in place. For any loans with shortfall and/or overdue payments, demand letters and/or legal letters will be issued. If the borrower does not respond, the Group may engage external legal advisors for legal actions. At the same time, the Group will contact the borrower for additional collateral and/or settlement plan. The Group may also engage debt collection agents for such loan where appropriate. If the negotiation is not successful, or additional collateral is not sufficient or default in settlement plan, external legal advisers will issue final warning to the borrower. Subsequently, writs of summon will be served to the borrower to take proceedings to court.

Liquidity and Financial Resources

The Group's total equity amounted to HK\$188.3 million as at 31 December 2025 compared to HK\$217.1 million as at 31 December 2024. The decrease in the total equity was mainly due to the reported loss during the year. As at 31 December 2025, the Group's bank borrowings collateralised by clients' pledged securities to the Group of approximately HK\$34.0 million (2024: HK\$46.0 million). As at 31 December 2025, the Group's outstanding borrowings also included unsecured loan from a related party of HK\$22.5 million (2024: HK\$25.1 million). All of the Group's borrowings were denominated in Hong Kong dollars. They were variable-rate borrowings and carried interest with reference to HIBOR or Hong Kong Prime Rate. As at 31 December 2025, cash and bank balances including fixed deposits and the trust and segregated accounts had increased to HK\$450.1 million as at 31 December 2025 from HK\$397.2 million as at 31 December 2024. The Group derives its revenue and maintains bank balances in its house accounts mainly in Hong Kong dollars. Bank balances in its house accounts amounting to HK\$38.9 million and HK\$38.2 million at 31 December 2025 were denominated in Hong Kong dollars and other foreign currencies (mainly Renminbi and US dollar) respectively, whereas the bank balances in the trust and segregated accounts were denominated in the same currencies as those of the outstanding balances in the corresponding accounts payable.

The liquidity ratio as at 31 December 2025 decreased to 1.41 times from 1.48 times as at 31 December 2024. The gearing ratio as at 31 December 2025, which represents the ratio of interest bearing borrowings of the Group divided by the total equity, decreased to 30.0% from 32.8% as at 31 December 2024. The decrease in the gearing ratio reflects a relative improvement in the Group's financial leverage, primarily due to reduced borrowings and a slight improvement in negative equity. On the other hand, we have no material contingent liabilities at the end of the year. The Group's treasury policies are to secure healthy liquidity for running its operations smoothly and to maintain a sound financial position at all times throughout the period. Besides meeting its working capital requirements, cash balances and bank borrowings are maintained at healthy levels to meet its customers' investments needs while making sure all relevant financial regulations have been complied with.

Foreign Exchange Risks

The Group did not have any material un-hedged foreign exchange exposure or interest rate mismatches at the end of the year.

FINANCIAL REVIEW

Material Acquisitions and Disposals

During the year, CASH Trinity Bullion Limited (a wholly owned subsidiary of the Company) redeemed its investment in CASH Prime Value Equity OFC (the "Fund") at an aggregate redemption proceeds of approximately HK\$16 million. Upon completion of the redemption, the Fund is ceased to be a subsidiary of the Group and will be accounted for as financial assets at fair value through profit or loss in the financial statements of the Group. Details of the redemption was disclosed in the joint announcement of the Company and CASH dated 18 August 2025.

There is no important event affecting the Group which has occurred since the end of the financial period.

Fund Raising Activities

The Company did not have any fund raising activity during the year.

Capital Commitments

The Group did not have any material outstanding capital commitments at the end of the year.

Material Investments

As at 31 December 2025, the market values of a portfolio of investments held for trading amounted to approximately HK\$26.1 million (2024: HK\$45.0 million). A net gain on investments held for trading of HK\$12.4 million (2024: HK\$23.1 million) was recorded for the year. We did not have any future plans for material investments, nor addition of capital assets.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

Revenue

(HK\$'m)	2025	2024	% change
Broking income	16.8	11.8	42.4%
Wealth management income	16.5	6.6	150.0%
Investment management services	18.8	5.1	268.6%
Handling and other services	2.7	4.5	(40.0%)
Interest income	12.4	22.8	(45.6%)
Group total	67.2	50.8	32.3%

Key Financial Metrics

	2025	2024	% change
The Group			
Net loss attributable to owners of the Company (HK\$'m)	38.5	35.1	9.7%
Loss per share (HK cents)	9.15	8.36	9.4%
Total assets (HK\$'m)	721.6	713.9	1.1%
Cash and bank balances (HK\$'m)	77.1	88.5	(12.9%)
Bank borrowings (HK\$'m)	34.0	46.0	(26.1%)
Financial services			
Annualised average fee income from broking per active client (HK\$'000)	1.8	1.2	50.0%
Investment management services			
Net (losses)/gains on financial assets at FVTPL (HK\$'m)	(1.7)	21.3	(108.0%)

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL SERVICES BUSINESS – CFSG

Economic and Market Overview

In 2025, the Hong Kong economy demonstrated resilience amid global uncertainties, achieving a real GDP growth of 3.5%, supported by robust merchandise exports, a moderate recovery in investments, and government stimulus measures focused on fintech, green finance, and infrastructure development. As a cornerstone of the economy, the financial services sector continued to thrive as an international financial hub, ranking third in the Global Financial Centres Index. The sector benefited from ongoing digital transformation, with the Hong Kong Monetary Authority's "Fintech 2025" strategy driving adoption of advanced technologies, including AI, distributed ledger technology, and virtual assets.

However, challenges persisted, including geopolitical tensions, tariff escalations, and a vulnerable property market, which subdued demand for trade financing and pressured credit quality in exposed industries. Despite these headwinds, Hong Kong staged a decisive recovery to reclaim the top global position for capital raising for the first time since 2019, raising HK\$285.8 billion from 119 new listings, underscoring Hong Kong's role as a gateway for capital flows.

Hong Kong-domiciled funds recorded net inflows of US\$46.9 billion in the third quarter alone. Total assets under management (AUM) increased by 35.9% year-on-year to HK\$2.27 trillion, reflecting sustained investor confidence and market recovery. In the first three quarters of 2025, total gross insurance premiums increased by 32.5% year-on-year to HK\$637 billion, primarily driven by strong growth in long-term business, which saw revenue premiums from in-force policies rise by 36.6% to HK\$554.1 billion. This represents a significant acceleration from the 12.2% growth in the same period of 2024, supported by robust demand from mainland visitors, high-net-worth individuals, and overall economic activity.

Business Review

In 2025, CFSG exhibited strong resilience in a dynamic financial services environment marked by technological disruption and economic headwinds. We focused on innovation, customer-centric strategies, and operational efficiency to drive growth. This performance was underpinned by targeted investments in digital transformation which amplified our market presence and client engagement.

A key milestone was the launch of Quantphemes, Hong Kong's pioneering AI-powered quantitative trading platform, designed to democratise access to advanced algorithmic trading tools for retail and professional investors. This initiative not only expanded our fintech footprint but also garnered industry recognition, including the ET Net "Financial Tech Awards" for "Outstanding Artificial Intelligence Algorithm Trading Platform," affirming our innovation in AI-driven solutions. Additionally, our Deputy Chief Executive Officer, Mr Jeffrey Kwan, was honoured as a "Forbes China Emerging Innovative Entrepreneur," highlighting our leadership in financial innovation and industry development.

In wealth management, the Family Office expanded its 3I services (Insurance, Investment, Immigration), achieving record Q1 insurance premiums and preparing for the launch of an Immigration & Education Centre in the second half. The Company also acted as Joint Bookrunner for the Green Tea Group and Jiaxin International Resources IPOs, demonstrating capital markets expertise.

To elevate brand awareness, we employed multifaceted strategies, including active engagement on mainstream social media platforms such as Facebook and IG. On these platforms, our activities focused on building community and promoting services through professional content. More broadly, we optimised online content and social media platforms with investment education, product insights, and market analyses delivered via short videos and graphics, achieving high engagement through data-driven optimizations.

Our CASH Family Office saw remarkable growth in digital visibility, with follower increases of 2,774% on Xiaohongshu (RedNote) and 3,603% on Douyin (TikTok), underscoring enhanced market influence and target audience reach. Other marketing efforts, including media coverage, industry events, and award promotions, bolstered credibility, while customer experience enhancements – such as streamlined service processes, ongoing education, and communication – fostered loyalty and organic referrals.

Marketing initiatives extended to strategic partnerships and community events, co-hosting lectures with professional institutions to broaden client acquisition. We maintained consistent brand identity across all touchpoints, reinforcing recognition in wealth management and family office services. These efforts complemented our core offerings in asset protection, wealth appreciation, inheritance planning, and family potential development, tailored for high-net-worth individuals.

MANAGEMENT DISCUSSION AND ANALYSIS

Operationally, we prioritised agility to address challenges like tariff impacts and market volatility, refining supply chain equivalents in client onboarding and risk management. Customer satisfaction remained high, with proactive feedback mechanisms and personalised services contributing to strong retention rates. Despite sector-wide pressures, our focus on the “human touch” alongside AI integration differentiated us from pure digital competitors, enabling gradual improvements in key metrics like client acquisition and assets under management.

Overall, 2025 was a year of strategic advancement for CFSG, as we mitigated external risks through innovation and client-focused adaptations, solidifying our position as a trusted fintech and wealth management provider in Hong Kong.

Outlook

Looking to 2026 and beyond, CFSG is poised to capitalise on Hong Kong’s evolving fintech ecosystem, including anticipated growth in AI applications, virtual assets, and sustainable finance, amid economic expansion and continued regulatory support for innovation. We will deepen our commitment to the “Fintech 2025” framework by enhancing Quantphemes with advanced AI tools, aiming to capture a larger share of the retail and professional trading market.

Strategic priorities include expanding our family office services across Greater China, leveraging burgeoning opportunities in succession planning and portfolio diversification, while targeting high-net-worth inflows from immigration and talent schemes. We will invest in data analytics for personalised client experiences, cybersecurity enhancements, and operational resilience to counter geopolitical and economic uncertainties, such as tariff fluctuations and interest rate shifts.

Marketing efforts will continue to emphasise digital channels for broader reach, with functionality-focused campaigns on emotional themes like “Wealth Legacy” and “Family Prosperity,” timed around key festivals. Partnerships with banks and institutions will drive co-branded initiatives, while internal “action plans” ensure swift responses to market events.

In conclusion, as Hong Kong continues to thrive as the world’s preeminent Super Connector, CFSG is dedicated to establishing itself as a first-class, trusted partner for investment and wealth management. We strategically connect people, ideas, capital, and opportunities – driving the sustainable development of a better world. CFSG remains dedicated to empowering clients with innovative, reliable financial solutions. By anticipating challenges, embracing technology, and delivering exceptional value, we are committed to delivering long-term value for our stakeholders and upholding our commitment to exceptional customer service.

ALGO TRADING BUSINESS – CAFG

Economic and Market Overview

The Hang Seng Index rose 27.8% to close at 25,630.54 in 2025, marking its strongest annual gain since 2017. The year represented a decisive recovery for Hong Kong’s capital markets, driven by a broad-based equity rally and the market’s reinforced role as a critical bridge between Chinese issuers and global investors.

Fundraising activity more than doubled compared with 2024, supported by a strong pipeline of A+H listings and sustained investor demand for exposure to Chinese enterprises. Continued regulatory tensions between the U.S. and China cast uncertainty over the long-term viability of Chinese ADRs, prompting more companies to choose Hong Kong as their preferred listing destination. This structural shift in capital flows is expected to support further expansion of Hong Kong’s IPO market in the coming years.

In commodities, escalating tariffs and trade frictions fuelled a flight to safe havens. Gold rose 65% to exceed USD4,500 per ounce, while silver posted its highest annual gain on record, rising 1.4x amid tightening supply and strong industrial demand. Base metals such as copper experienced a volatile upward trend, buoyed by supply shortages and demand linked to AI-related data centres and green infrastructure. These movements reflected not only fundamental imbalances but also heightened demand for liquidity and risk mitigation assets.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Our strategic focus in fund management continued to demonstrate resilience. Together with our asset management arm, we manage an equity fund and a multi-strategy fund.

The CASH Prime Value Equity Fund, a long-only equity strategy integrating fundamental research with quantitative screening, delivered a 35% return in 2025, outperforming peers and the Hang Seng Index. Concentrated exposure to high-growth consumer, technology, and financial stocks contributed meaningfully to performance. Since its inception in September 2022, the Fund has achieved a cumulative gain of 58%.

The CASH Multi Strategy Fund, a dollar-neutral commodity arbitrage strategy, experienced its largest drawdown since launch. Market dislocations stemming from trade tensions, tariff retaliation, and geopolitical disruptions led to extreme price distortions in metals futures. The Fund recovered part of its losses in the latter half of the year as markets adjusted to new trading ranges.

Business Development

During the year, we made significant progress in product innovation and operational enhancement.

The investment mandate of the CASH Prime Value Equity Fund was strategically upgraded to include stock lending, derivatives, and futures. These enhancements are expected to broaden income sources and improve risk management flexibility during volatile periods.

We also advanced the development of a new thematic strategy focused on virtual assets, leveraging our quantitative research capabilities and AI-driven analytics. This initiative aligns with our long-term objective of diversifying our product offerings and capturing emerging growth opportunities in alternative investments.

On the distribution front, we strengthened collaboration with our sales force through structured training, product workshops, and client-focused sessions. We strengthened partnerships with external distributors and continued to explore digital channels to broaden our investor base, particularly family offices and high-net-worth clients.

Outlook

Following a robust recovery in 2025, we expect markets to shift from rebound to sustained expansion, supported by capital inflows, improving corporate earnings, and technological advances. Ongoing listing regime reforms and capital market initiatives are expected to reinforce Hong Kong's position as the premier gateway for companies seeking international capital. With over 350 IPO applications submitted by year-end, the 2026 IPO fundraising volume is projected to reach HKD350 billion, surpassing 2025 levels.

Hong Kong equities are expected to remain on an upward trajectory in 2026, supported by accommodative policy, strong IPO momentum, and earnings growth— particularly in technology. The CASH Prime Value Equity Fund is well-positioned to capture these opportunities, with its expanded mandate and data-driven approach supporting flexible portfolio management.

In global commodities, macro conditions favour continued strength in precious metals. Expected U.S. Federal Reserve rate cuts, a softer U.S. dollar, and persistent geopolitical uncertainty will spark interest in holding gold and silver. Meanwhile, China's supportive fiscal and monetary stance is expected to further drive metal demand.

Against a backdrop of geopolitical fragmentation and shifting global economic power, diversified exposures across geographies, currencies, and asset classes will be increasingly critical. The CASH Multi Strategy Fund, with its low correlation to traditional asset classes, remains an attractive tool for stable returns and portfolio diversification.

In 2026, we aim to expand the integration of virtual assets in our portfolio strategies and advance the development of our dedicated virtual asset fund. Operationally, we will continue to embed AI technologies into research, trading strategy development, and risk management workflows. This dual focus on innovation and disciplined execution positions the Group to strengthen its competitive advantage, support sustainable growth, and deliver long-term value for our investors.

EMPLOYEE INFORMATION

As at 31 December 2025, the Group had 104 employees. Our employees were remunerated according to their performance, working experience and market conditions. The total amount of remuneration cost of employees for the year under review was HK\$58.9 million.

BENEFITS

The Company and some of its subsidiaries provide employee benefits including mandatory provident fund scheme, medical insurance scheme, discretionary share options, performance bonus and sales commission for their staff. The Company also provides its employees in the PRC with medical and other subsidies, and contributes to the retirement benefit plans.

TRAINING

The Group has implemented various training policies and organised a number of training programmes aimed specifically at improving the skills of its employees and generally to increase the competitiveness, productivity and efficiency of the Group including training in areas such as products knowledge, operational techniques, risk and compliance, customer service, selling techniques, graduate development and also professional regulatory training programmes as required by regulatory bodies. The Group also arranges for relevant staff, who are licensed persons under the SFO, to attend the requisite training courses to fulfill/comply with the continuous professional training as prescribed in the SFO.

The Group conducts an initial staff orientation for new employees in order to familiarise them with the Group's history and strategy, corporate culture, quality management measures, rules and regulations. This orientation aims to prepare the new employees for the positions by establishing a sense of belongingness and cooperation; by supplying necessary information that resolves an employee's concerns; and by removing any potential barriers for job effectiveness and continuous learning.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Bankee Pak-hoo KWAN, BBS, JP

Chairman, ED & CEO

DBA(Hon), MBA, BBA, FFA, FHKSI, CPM(HK), FHKIM

Dr Kwan, aged 66, joined the Board on 11 August 2000. He is responsible for devising the overall business strategy of the Group. Dr Kwan has extensive experience in corporate management, strategic planning, marketing management, financial advisory and banking. An MBA graduate from The Murdoch University of Perth, Australia and a BBA graduate from The Chinese University of Hong Kong, Dr Kwan was also conferred an Honorary Doctorate degree in Business Administration. Dr Kwan is also a fellow of the Institute of Financial Accountants, UK, the Hong Kong Securities and Investment Institute and the Hong Kong Institute of Marketing (HKIM). He is a Certified Professional Marketer (HK) of HKIM. He was awarded the Bronze Bauhinia Star (BBS) by the HKSAR Government and is a Justice of Peace (JP) of the HKSAR.

Dr Kwan is a firm believer in youth education and development. He is a John Harvard fellow of The Harvard University, US; a member of the Harvard University Asia Center Advisory Committee; a trustee of New Asia College of The Chinese University of Hong Kong; an honorary fellow of The Hong Kong Metropolitan University; a member of the Court of City University of Hong Kong, an Adjunct Professor of The Hang Seng University of Hong Kong, an honorary director of the Pan Sutong Shanghai-Hong Kong Economic Policy Research Institute (PSEI) and a member of the Advisory Board on Business Studies of Lingnan University of Hong Kong, and an advisory professor and an honorary member of the Board of Trustees of Nanjing University. Dr Kwan is also a school advisor of the LiPACE of The Hong Kong Metropolitan University and an honorary advisor of the Academy of Oriental Studies of Peking University.

In addition to education, Dr Kwan is also active in serving the community. Currently, he is a member of the 14th National Committee of the Chinese People's Political Consultative Conference (CPPCC); a standing committee member and vice convener (Hong Kong and Macao Members) of the 10th to 14th CPPCC, Shanghai Committee; the chairman of the Business Facilitation Advisory Committee (BFAC) and also the convener of the Wholesale and Retail Task Force (WRTF) of BFAC; the chairman of the Mandatory Provident Fund Schemes Advisory Committee (MPFSAC); the permanent honorary president and past

president of Federation of Hong Kong-Shanghai Associations; a member of the 5th Council of the China Overseas Friendship Association; a member of the Election Committee for the Fourth, the Fifth and the Sixth Term of the Chief Executive Election of the HKSAR; a director, an executive committee member, past honorary advisor and past chairman of the Hong Kong Retail Management Association (HKRMA); a member of the Securities and Futures Appeals Tribunal (SFAT); a member of the Process Review Panel for the Securities and Futures Commission; a member of the Labour Advisory Board of the HKSAR; a member of the Marketing Management Programme Advisory Committee of the Hong Kong Management Association (HKMA); a director of the Hong Kong Justice of Peace Association. Dr Kwan has also been a non-executive director of the MPF Authority, the deputy chairman of BFAC, an honorary advisor of Hong Kong Small and Medium Enterprises Association, a member of the Central Policy Unit of the Government of the HKSAR and an honorary advisor of the CEPA Business Opportunities Development Alliance.

Dr Kwan was named "Entrepreneur of the Year" in the Asia Pacific Entrepreneurship Awards as organised by Enterprise Asia, which recognised his outstanding entrepreneurial success and significant contributions to economic life and society. Dr Kwan was named "Man of the Year for Leadership in Asia" by IAIR, the world's leading financial magazine. The annual IAIR Awards recognise outstanding professionals who actively promote excellences in innovation and sustainability. He was bestowed with the "World Outstanding Chinese Award" organised by World Chinese Business Investments Foundation, which recognised his great contribution to the global Chinese society. The Hang Seng University of Hong Kong also bestowed the "Junzi Entrepreneur Award" on Dr Kwan, recognising his continuous contribution to the society of Hong Kong.

Dr Kwan is the controlling Shareholder of the Company, a member of the Remuneration Committee and the chairman of the Nomination Committee. He is also an executive director, chairman and chief executive officer of CASH, as well as a member of the remuneration committee and the chairman of the nomination committee of CASH. He is the father of Mr Kwan Teng Hin Jeffrey (executive director and deputy chief executive officer of the Company and executive director of CASH).

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Jeffrey Teng-hin KWAN

ED & Deputy CEO

BA, MHKSI

Mr Kwan, aged 36, joined the Board on 12 June 2017. He is in charge of the strategic and corporate development of the Group. He has extensive experience in the fields of financial technology, corporate and strategic management, private equity and investment management. Mr Kwan received a Bachelor of Arts Degree in Psychology from The Johns Hopkins University, US. He is a member of the Hong Kong Securities and Investment Institute. He is the son of Dr Kwan Pak Hoo Bankee (the chairman, executive director and chief executive officer of the Company and CASH). Mr Kwan is also an executive director of CASH.

Morton Tsz-yui CHEUNG

ED & CFO

BBA, CPA

Mr Cheung, aged 40, joined the Board on 10 January 2024. He oversees the finance and treasury function of the Group. He has extensive experience in the fields of auditing, financial reporting, investment banking and corporate finance. Mr Cheung received a Bachelor of Business Administration (Professional Accountancy) Degree from The Chinese University of Hong Kong. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. Mr Cheung is also an executive director and chief financial officer of CASH.

Angela Sze-kai WONG

ED

EMBA, BA, CFA

Ms Wong, aged 58, joined the Board on 11 July 2022. She leads the investment management business, including strategic and fund product development, to align with the Group's overall wealth management direction. She has over three decades of experience in financial services, focusing on investment and wealth management business in North America, Hong Kong, and Mainland China. Ms Wong received a Bachelor of Arts Degree from York University, Canada, and an Executive MBA Degree from Tsinghua University, China. She holds the Chartered Financial Analyst designation from the CFA Institute in the US. She is a responsible officer of CASH Asset Management, CASH Wealth Management and CASH Algo Finance Group Limited.

Daryl Wai-kwong LAI

ED

MBA, BBA

Mr Lai, aged 63, joined the Board on 29 December 2023. He oversees the strategic and business development of the Group. He has extensive experience in marketing and general management, especially in the fields of wealth management and banking, and in both debt and equity capital markets in Hong Kong and Mainland China. He has also held senior management positions in international banks and an SFC-licensed financial institution of a Mainland State-owned Enterprise. Mr Lai received a Master of Business Administration Degree from Chaminade University of Honolulu, US, and a Bachelor of Business Administration Degree from University of Hawaii, US. He is a responsible officer of Celestial Securities and CASH Wealth Management.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Raymond Shu-shing CHENG

INED

Mr Cheng, aged 70, joined the Board on 18 September 2002. Mr Cheng has extensive experience in watch manufacturing industry and is the managing director of a watch manufacturing and trading company in Hong Kong. He is an honorary fellow of The Professional Validation Centre of Hong Kong Business Sector and a member of Young Industrialists Council Ltd. He is the chairman of The Hospital Authority New Territories West Cluster Hospitals Charitable Trust and is a member of the Medical Development Sub-committee of the Hospital Governing Committee of Tuen Mun Hospital. Mr Cheng was the winner of The Young Industrialist Awards for the year 1992, a member of The Watches and Clocks Advisory Committee of Hong Kong Trade Development Council, the president of the Lions Club of Tuen Mun and the President of Love U All Charitable Foundation. He was the chairman of The Federation of Hong Kong Watch Trades and Industries Limited, and is currently an advisor of the Federation, a Principal Honorary President as elected by the Federation and the committee member of The Federation of Hong Kong Watch Trades and Industries Charitable Trust. Mr Cheng is also the chairman of the Audit Committee and the Remuneration Committee and a member of the Nomination Committee.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Terence Ho-wah CHAN

INED

PhD(Econ), MSc(Real Estate), FCPA(Aus), FRICS, CFA, CFT

Dr Chan, aged 55, joined the Board on 8 June 2023. Dr Chan holds a Doctor of Philosophy Degree in Economics, a master's degree in Real Estate, an Honorary University Fellow of Hong Kong Baptist University and he also possesses professional fellow membership of CPA Australia and Royal Institute of Chartered Surveyors as well as the professional designation of Chartered Financial Analyst and Certified Financial Technologist. Dr Chan has 30 years of experience in real estate and infrastructure investment and financing and capital operation of listed companies. Dr Chan is currently the chairman of Bay Area Capital Partners Limited and an Adjunct Professor in the Department of Real Estate and Construction of the University of Hong Kong. Dr Chan is the chairman of ESG & Sustainable Investment Committee of Hong Kong Independent Non-Executive Director Association, a member of the Mainland Opportunities Committee of Financial Service Development Council and the deputy chairman of the Hong Kong Education University Council. Dr Chan is a standing committee member of the 14th Shanghai Committee of the Chinese People's Political Consultative Conference. He is also a member of the Chinese Association of Hong Kong & Macao Studies of the State Council, deputy president of the Federation of Hong Kong-Shanghai Associations, the chairman of Shanghai HK Association, and a member of the 2021 Election Committee of the HKSAR. He has been appointed as a member of HKTDC Infrastructure Development Advisory Committee and Vice Chairman of the Security and Guarding Services Industry Authority of the Security Bureau since 2022. Dr Chan is also a member of the Audit Committee of the Company. Dr Chan is an independent non-executive director, chairman of the remuneration committee and audit committee; and a member of nomination committee of Wang On Properties Limited (stock code: 1243), a company listed on the Main Board of the Stock Exchange. Dr Chan is also an independent non-executive director and member of nomination committee and remuneration committee of Shanghai Industrial Urban Development Group Limited (stock code: 563), a company listed on the Main Board of the Stock Exchange. Dr Chan has been appointed as independent non-executive director, chairman of remuneration and appraisal committee and a member of audit committee and nomination committee of Kunming Dianchi Water Treatment Co., Ltd (stock code: 3768), a company listed on the Main Board of the Stock Exchange, on 26 September 2025. He also has been appointed as independent non-executive director, member of the audit, nominating and remuneration committees of Jadason Enterprises Ltd (Stock Code: J03), a company listed on the Singapore Exchange, on 11 March 2026.

Suzanne Wing-sheung LUKE

INED

FCG, FCS

Ms Luke, aged 57, joined the Board on 1 September 2025. She was formerly the company secretary of the Company and CASH. She has extensive listed company secretarial experience. She is a fellow of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute.

SENIOR MANAGEMENT

Alfred Ka-chun MA

Managing Director, CASH Algo Finance Group

PhD, MPhil, BSc, CIPM, ASA, PRM, CFA

Dr Ma, aged 46, joined the Group in December 2021. He is in charge of research and development for algorithmic trading and data analytics. He has extensive experience in the field of financial engineering and algorithmic trading. Dr Ma received a Doctor of Philosophy Degree in Operations Research from the Columbia University, US, a Master of Philosophy Degree in Mathematics and a Bachelor of Science Degree in Mathematics from The Chinese University of Hong Kong. He is a holder of Certificate in Investment Performance Measurement from the CFA Institute, US, an associate of the Society of Actuaries, US and a Professional Risk Manager of The Professional Risk Managers' International Association, US. He is also a Chartered Financial Analyst and a responsible officer of Celestial Commodities, CASH Wealth Management, CASH Asset Management and CASH Algo Finance Group Limited.

Xue HAO

Regional President, Greater China Region

BA

Ms Hao, aged 41, joined the Group in July 2024. She currently focuses on providing offshore asset management, residency planning, and wealth inheritance solutions to high-net-worth clients. Ms Hao has over 15 years of experience in cross-border legal, tax, and structural planning. She has advised numerous listed companies and state-owned enterprises on overseas projects. Ms Hao received a Bachelor from Qingdao University, China.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Kelvin Chi-ho CHENG

Director of Operations

MSc, BA

Mr Cheng, aged 46, joined the Group in September 2025. He is responsible for managing the middle and back office operations. He has held positions at a number of financial institutions. He possesses extensive knowledge and practical experience in the fields of middle and back office operations and compliance management. Mr Cheng received a Master of Science Degree in Financial Management from the Australian National University.

Hilda Ying-ying HUANG

Director of Corporate Development

MSc, BSc

Ms Huang, aged 41, joined the Group in May 2011. She is responsible for the FinTech project management of the Group. She has extensive experience in mobile trading and mobile technology. Ms Huang received a Master of Science Degree in Electronic Business Management from The University of Warwick, UK and a Bachelor of Science Degree in Business Management and Business Information Technology from The University of Gloucestershire, UK.

Daniel King-tak HO

Divisional Head of WealthTech

BSc

Mr Ho, aged 51, joined the Group in October 1999. He is in charge of the overall business development and operation of the WealthTech business of the Group. He has extensive experience in the fields of information technology infrastructure. Mr Ho received a Bachelor of Science Degree in Mathematics from The Hong Kong University of Science and Technology.

Ada Suet-ping CHEUNG

Company Secretary

ACG, HKACG, FCPA, FCCA

Ms Cheung, aged 53, joined the Group in August 2021. She is in charge of the company secretarial matters of the Group. She has extensive listed company secretarial experience. She is an associate of The Chartered Governance Institute and The Hong Kong Chartered Governance Institute, and a fellow of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. In addition to taking the role as company secretary of the Company, Ms Cheung is also the company secretary of CASH.

Carrie Chiu-mei LAW

Director, Human Resources & Administration

BBA, MHKIHHRM

Ms Law, aged 52, joined the Group in August 2001. She is in charge of the human resources and administrative functions of the Group. She has extensive experience in human capital management, including strategic human resources planning, talent management, succession planning and human resources measurements. She is also experienced in managing human resources and administrative operations across regional offices. Ms Law received a Bachelor of Business Administration (Hons) Degree in Human Resources Management from the Hong Kong Baptist University. She is a professional member of Hong Kong Institute of Human Resources Management. She is also appointed as Assessor for the Recognition of Prior Learning Scheme with Vocational Training Council. Ms Law is also the Director of Human Resources & Administration of CASH.

CORPORATE GOVERNANCE REPORT

The Directors of the Company have adopted various policies to ensure compliance with the code provisions of the CG Code as set out in Part 2 of Appendix C1 to the Listing Rules. For the year ended 31 December 2025, the Company has complied with all the code provisions of the CG Code, except for the following deviation:

- (1) Pursuant to code provision C.2.1, the role of chairman and chief executive should be separate and should not be performed by the same individual. Dr Kwan, the Chairman and ED of the Board also acted as CEO of the Company during the underlying year. Details were mentioned in the section of "Chairman and Chief Executive Officer".
- (2) Pursuant to the amendment of code provision B.3.5, which took effect on 1 July 2025, the Company is required to appoint at least one director of a different gender to the Nomination Committee. The Company was unable to meet this requirement immediately upon its effective date, as additional time was needed to identify and appoint a suitable candidate. On 1 September 2025, the Company appointed Ms Luke Wing Sheung Suzanne, independent non-executive director of the Company, as a member of the Nomination Committee. Following this appointment, the Company has complied with the code provision B.3.5.

We will periodically review and improve our corporate governance practices with reference to the latest corporate governance developments.

CULTURES AND VALUES

A healthy corporate culture across the Group is integral part to attain its vision and strategy. It is the Board's role to foster a corporate culture with the following core principles and to ensure that the Company's vision, values and business strategies are aligned to it.

Integrity and code of conduct

The Group strives to maintain high standard of business ethics and corporate governance across all our activities and operations. The Directors, management and staff are all required to act lawfully, ethically and responsibly, and the relevant standards and requirements are set out in the relevant materials to staff and policies such as the Group's employee handbook, the anti-corruption policy and whistle-blowing policy of the Group.

Commitment

The Group believes that the culture of commitment to staff development, workplace health and safety, work-life balance and sustainability are the key elements for staff engagement with the Group's mission. The Group is committed to provide a safe, healthy and family-friendly workplace to staff so as to attracts, develops and retains the best talents and delivered the highest quality of work.

CORPORATE GOVERNANCE REPORT

THE BOARD COMPOSITION

The Board currently comprises five EDs and three INEDs. The Directors during the year and up to the date of this annual report were:

Executive Directors

Kwan Pak Hoo Bankee
Kwan Teng Hin Jeffrey
Cheung Tsz Yui Morton
Wong Sze Kai Angela
Lai Wai Kwong Daryl

Independent Non-executive Directors

Cheng Shu Shing Raymond
Lo Ming Chi Charles (*resigned on 1 September 2025*)
Chan Ho Wah Terence
Luke Wing Sheung Suzanne (*appointed on 1 September 2025*)^(Note)

The biographies of the Directors are set out from pages 14 to 16 of this annual report under the “Board of Directors and Senior Management” sections.

The board possess the skills, experience and expertise either in the same industry or relevant to the management of the business of the Group. The Board of which over one third of the Board members are INEDs, thereby promoting critical review and control of the management process. The INEDs will also share their valuable impartial view on matters to be discussed at the board meetings.

Note:

Ms Luke Wing Sheung Suzanne was appointed as INED on 1 September 2025. In compliance with Rule 3.09D of the Listing Rules, Ms Luke obtained the legal advice referred to in Rule 3.09D on 28 August 2025, and she has confirmed that she understood her obligations as a Director. In addition, pursuant to Rule 3.09H of the Listing Rules, Ms Luke must complete no less than 24 hours of continuous professional development by 28 February 2027. During the year ended 31 December 2025, Ms Luke has completed 5 hours of continuous professional development.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 requires that the roles of chairman and chief executive officer should be separate and not be performed by the same individual. Dr Kwan Pak Hoo Bankee (“Dr Kwan”), the ED and Chairman of the Board also acted as CEO of the Company during the underlying year. Dr Kwan is responsible for formulating the strategies and policies of the business development of the Group, providing leadership and overseeing the functioning of the Board. The dual role of Dr Kwan provides a strong and consistent leadership to the Board and is critical for efficient business planning and decisions of the Group. The CEOs of respective business units of the Group assisted Dr Kwan in performing CEO’s responsibilities and are responsible for formulating business plans and monitoring the business operation and development of the Group, and report regularly to the Chairman. The balance of power and authorities is also ensured by the operation of the Board and the senior management, which comprise experienced and high caliber individuals. In addition, the 3 INEDs provide independent and impartial opinion on issues to be considered by the Board. The Board is of the opinion that the current Board structure functions effectively.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The INEDs are all professionals with well recognised experience and expertise in professional and/or accounting fields who provide valuable advice to the Board. They are appointed for a term of 1 year and are subject to retirement from office and re-election at the AGM every year. The Company has received a confirmation of independence from each of the INEDs. The Board considers each of them to be independent by reference to the factors as set out in Rule 3.13 of the Listing Rules. The INEDs have been expressly identified as such in all corporate communications of the Company that disclose the names of the Directors.

CORPORATE GOVERNANCE REPORT

INDEPENDENT VIEWS

The Company has maintained a mechanism to ensure that independent view and input are available to the Board. The mechanism includes:

- Nomination Committee is established with clear terms of reference to identify suitable candidates, including independent non-executive directors, for appointment as Directors.
- Nomination Policy is in place with details of the process and criteria of identifying, selecting, recommending, cultivating and integrating new directorship.
- For independent non-executive directors (“INED(s)”):
 - (i) Every INED is required to confirm in writing to the Company his/her independence upon his/her appointment as Director with reference to such criteria as stipulated in the Listing Rules;
 - (ii) Each INED has to declare his/her past or present financial or other interests in the Group’s business as soon as practicable, or his/her connection with any of the Company’s connected persons (as defined in the Listing Rules), if any;
 - (iii) Each INED is required to inform the Company as soon as practicable if there is any change in his/her own personal particulars that may affect his/her independence.
- The Nomination Committee will assess the independence of INEDs and review the INEDs’ annual confirmations on their independence.
- Where the Board proposes a resolution to elect an individual as an INED at the general meeting, it will set out in the circular to Shareholders the reasons it believes he/she should be elected and the reasons it considers him/her to be independent.
- A mechanism is in place for Directors to seek independent professional advice in performing their duties at the Company’s expense.

The implementation and effectiveness of the mechanism are reviewed by the Board on an annual basis.

ROLES AND RESPONSIBILITIES OF THE BOARD AND THE SENIOR MANAGEMENT

The Board is accountable to stakeholders for the activities and performance of the Group and its primary functions cover, among other things, the formulation of overall strategy, the review of corporate and financial policies and the oversight of management of the Group’s business and affairs. Apart from these, the Board reserved for its consideration and decision on major acquisitions and disposals, review of interim and annual financial results, appointments and removals of directors and auditors, the evaluation on the performance and compensation of senior management, any material capital transactions and other significant operational and financial affairs. With a view to maintaining an appropriate balance between authority and responsibility, such functions are either carried out directly by the Board or indirectly through various committees established by the Board, with respective functions set out in their written terms of reference.

The Management is led by the EDs of the Board and has delegated powers and authorities to carry out the day-to-day management and operation of the Group; formulate business policies and make decision on key business issues; and exercise power and authority delegated by the Board from time to time. The Management assumes full accountability to the Board for the operation of the Group.

RELATIONSHIP BETWEEN THE BOARD MEMBERS

Dr Kwan Pak Hoo Bankee (the Chairman, ED and CEO of the Company) is the father of Mr Kwan Teng Hin Jeffrey (ED and deputy CEO of the Company). Save as disclosed herein, none of the members of the Board has any relationship (including financial, business, family or other material/relevant relations) between each other.

CORPORATE GOVERNANCE REPORT

INDUCTION, SUPPORT AND PROFESSIONAL DEVELOPMENT OF THE DIRECTORS

The Directors received regular updates and presentation on changes and developments to the Group's business and on the latest developments in the law, rules and regulations relating to Directors' duties and responsibilities. A newly appointed Director will receive a comprehensive induction package covering the statutory and regulatory obligations of Directors. Directors' training is an ongoing process. All Directors are encouraged to attend training sessions including but not limited to seminars (including online webinars), briefings, conference forums and workshop and reading materials to enrich their knowledge in discharging their duties as a director.

To summarise, the Directors received trainings on the following areas to update and develop their skills and knowledge during the year under review: –

Name of Directors	Training on corporate governance, regulatory development and other relevant topics
Kwan Pak Hoo Bankee	✓
Kwan Teng Hin Jeffrey	✓
Cheung Tsz Yui Morton	✓
Wong Sze Kai Angela	✓
Lai Wai Kwong Daryl	✓
Cheng Shu Shing Raymond	✓
Lo Ming Chi Charles (<i>resigned on 1 September 2025</i>)	N/A
Chan Ho Wah Terence	✓
Luke Wing Sheung Suzanne (<i>appointed on 1 September 2025</i>)	✓

There is a procedure agreed by the Board to ensure the Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. The Directors confirmed that they have complied with the code provision C.1.4 of the CG Code during the year.

DIRECTORS' INSURANCE

The Company has arranged appropriate insurance cover in respect of legal action against the Directors.

CORPORATE GOVERNANCE REPORT

DIRECTORS' ATTENDANCE AND TIME COMMITMENT

The attendance record of the Directors at the following meetings during the year is set out below:

Name of Directors	Meetings attended/held						
	Executive Committee Meeting	Full Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Special General Meeting
EDs							
Kwan Pak Hoo Bankee	9/9	8/8	N/A	4/4	2/2	1/1	1/1
Kwan Teng Hin Jeffrey	9/9	8/8	N/A	N/A	N/A	1/1	1/1
Cheung Tsz Yui Morton	9/9	8/8	N/A	N/A	N/A	1/1	1/1
Wong Sze Kai Angela	8/9	8/8	N/A	N/A	N/A	1/1	1/1
Lai Wai Kwong Daryl	8/9	8/8	N/A	N/A	N/A	1/1	1/1
INEDs							
Cheng Shu Shing Raymond	N/A	7/8	3/4	3/4	2/2	1/1	1/1
Lo Ming Chi Charles (resigned on 1 September 2025)	N/A	6/6	3/3	4/4	2/2	0/1	N/A
Chan Ho Wah Terence	N/A	6/8	2/4	N/A	N/A	1/1	1/1
Luke Wing Sheung Suzanne (appointed on 1 September 2025)	N/A	2/2	1/1	N/A	N/A	N/A	1/1
Total number of meetings held:	9	8	4	4	2	1	1

During the year, the Chairman of the Board held a meeting with the INEDs without the presence of the EDs.

Upon reviewing (i) the annual confirmation of the time commitment given by each Director; (ii) the directorships and major commitments of each Director; and (iii) the attendance rate of each Director on full Board and their executive committee meetings with the Management on their respective functional duties and responsibilities, the Board is satisfied that all Directors have spent sufficient time in performing their responsibilities during the year.

BOARD MEETINGS AND PROCEEDINGS

Regular board meetings were held at approximately quarterly interval. The Directors have access to the advice and services of the Company Secretary and key officers of the company secretarial team for ensuring that the Board procedures, and all applicable rules and regulations, are followed.

All Directors are consulted as to whether they wish to include any matter in the meeting agenda before the agenda for each board meeting is issued. Board meeting notice is sent to the Directors at least 14 days prior to each regular board meeting. Originals of the minutes of board meetings will be kept by the Company Secretary and are opened for inspection at any reasonable time on reasonable notice by any Director.

If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the Director will abstain from voting on the relevant board resolution in which he/she or any of his/her associates has a material interest and that he/she shall not be counted in the quorum present at the board meeting.

CORPORATE GOVERNANCE REPORT

AUDIT COMMITTEE *(SET UP ON 30 OCTOBER 2000)*

The Audit Committee comprises only independent non-executive directors. It is chaired by Mr Cheng Shu Shing Raymond and its members are Dr Chan Ho Wah Terence and Ms Luke Wing Sheung Suzanne (all of them are independent non-executive directors).

The specific written terms of reference of the Audit Committee is available on the websites of the Stock Exchange and the Company.

The Audit Committee is primarily responsible for making recommendations to the Board on the appointment and removal of the external auditor, approving the remuneration and terms of engagement of external auditor, reviewing financial information and overseeing the financial reporting system, risk management and internal control procedures. The Audit Committee held 4 meetings during the year.

A summary of work performed by the Audit Committee during the year is set out as follows:

- i. reviewed the annual and interim financial statements, and the quarterly business operation and development of the Group;
- ii. discussed/met with the external auditor on general accounting issues of the Group, and reviewed their work and findings relating to the annual audit and the effectiveness of the audit process;
- iii. reviewed the effectiveness of the risk management and internal control systems of the Group for the year ended 31 December 2025;
- iv. annual review of the non-exempt continuing connected transaction of the Company, if any; and
- v. reviewed the external auditor's independence, approved the engagement and remuneration of external auditor for audit and non-audit services and recommended the Board on the re-appointment of external auditor.

REMUNERATION COMMITTEE *(SET UP ON 30 OCTOBER 2000)*

The Remuneration Committee comprises a majority of independent non-executive directors. It is chaired by Mr Cheng Shu Shing Raymond (independent non-executive director) and its members are Ms Luke Wing Sheung Suzanne (independent non-executive director) and Dr Kwan Pak Hoo Bankee (executive director).

The specific written terms of reference of the Remuneration Committee is available on the websites of the Stock Exchange and the Company. Pursuant to the CG Code E.1.2(c)(ii) and the terms of reference adopted by the Remuneration Committee, its primary duties are to make recommendation to the Board on the Company's policies and structure of the remuneration of Directors and senior management and the remuneration packages of individual EDs and senior management. Details of the remuneration of each of the Directors for the year are set out in note 11 to the consolidated financial statements. The Remuneration Committee held 4 meetings during the year.

A summary of the work performed by the Remuneration Committee during the year is set out as follows:

- i. determined and endorsed to the remuneration policy and structure for the Directors and senior management;
- ii. assessed the performance of executive Directors and reviewed their current level and remuneration structure/package and approve the specific remuneration package of executive Directors;
- iii. reviewed and approved the letter of appointment entered into by the newly appointed independent non-executive Director; and
- iv. reviewed and approved the grant of share options under the Share Option Scheme and the grants of share awards under the share award scheme of the Company adopted on 1 December 2022.

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 17.07A, it is disclosed that all the options involving new Shares granted to Directors and their respective associates and a director of subsidiaries ("Grantees") during the year ended 31 December 2025 were without vesting period and performance target. In view that the Grantees (i) serves as recognition of the past contributions of the Grantees to the Group's business, which can motivate and incentivize the Grantees to continue contributing to the operations, development and long-term growth of the Group; and (ii) is in line with the overall purpose of attracting, motivating and retaining core talents. Accordingly, the grant of these options with no vesting period aligns with the purpose of the Share Option Scheme. Further, there is no performance target attached to the options granted to the Grantees. The number of options granted is based on (a) the past performance and potential of the Grantees; (b) their experiences in the Group's business; and (c) their contributions to the business development of the Group. In view of the above, the Remuneration Committee is of the view that the grant of options to the Grantees is market competitive and aligns with the purpose of the Share Option Scheme. The Remuneration Committee considers that the grant of these options motivates them to commit themselves to the Company's continued competitiveness and growth in the future and reinforce their commitment to the long-term services of the Company, and is therefore consistent with the objectives of the Share Option Scheme.

Remuneration policy of the Directors

The Company adopted a remuneration policy providing guideline for the Directors' remuneration.

Under the remuneration policy, the Directors' remuneration should be based on internal equity factors and external market conditions and will be reviewed from time to time.

The remuneration of EDs generally consists of:

- fixed monthly salary/allowance – which is set in accordance to the Director's duties, responsibilities, skills, experiences and market influences;
- pension – which is based on the local Mandatory Provident Fund Contribution Scheme;
- short term variable incentive – which may include discretionary cash bonus depending on the achievement of short-term corporate objectives and/or personal targets; and
- long term variable incentive – which may include share options designed to encourage long-term commitment.

The remuneration of the non-executive Directors of the Company (if any) and the INEDs will be a lump sum of Directors' remuneration made annually.

The remuneration paid to and/or entitled by each of the Directors for the year is set out in note 11 to the consolidated financial statements in this annual report.

The share options and share award granted to and/or entitled by the Directors during the year under review (if any) are set out in the section headed "Directors' Interests in Securities" in the Directors' report of this annual report.

NOMINATION COMMITTEE (SET UP ON 31 MARCH 2022)

The Nomination Committee comprises of a majority of independent non-executive directors. It is chaired by Dr Kwan Pak Hoo Bankee (executive director) and its members are Mr Cheng Shu Shing Raymond and Ms Luke Wing Sheung Suzanne (both are independent non-executive directors).

The specific written terms of reference of the Nomination Committee is available on the websites of the Stock Exchange and the Company. The primary duties of the Nomination Committee are (a) reviewing the structure, size, composition and diversity of the Board; (b) reviewing the board diversity policy; (c) identifying individuals suitably qualified to become Board members and making recommendations to the Board for directorship; (d) assessing the independence of INEDs; and (e) making recommendations to the Board on the appointment, re-appointment, re-election or re-designation of Directors and succession planning for Directors. The Nomination Committee held 2 meetings during the year.

CORPORATE GOVERNANCE REPORT

A summary of the work performed by the Nomination Committee during the year is set out as follows:

- i. reviewed the structure, size, composition and diversity of the Board;
- ii. reviewed the independence of the INEDs; and
- iii. made recommendation to the Board on the appointment and re-election of Directors.

Nomination Policy

The Company has adopted a nomination policy for the Nomination Committee to identify and evaluate a suitable candidate for nomination to (i) the Board for appointment; or (ii) the Shareholders for election, as Directors, at general meetings.

Selection Criteria

The nomination policy of the Company specifies the selection criteria of Directors including but not limited to the following:

- character, experience and integrity;
- skills, experience and professional expertise which are relevant to the operations of the Group;
- diversity in all aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- requirements of independence of the proposed independent non-executive Directors in accordance with the Listing Rules;
- commitment in respect of sufficient time and participation to discharge duties as a member of the Board and/or Board Committee(s).

Nomination Process

- the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
- to make the recommendation to the Board in relation to the proposed appointment; and
- the Board will have the final authority on determining the selection of nominees.

BOARD DIVERSITY POLICY

The Company has adopted a Board diversity policy (the “Board Diversity Policy”) which sets out the approach to achieve diversity of the Board and is subject to annual review by the Nomination Committee. In designing the Board’s composition, Board diversity is considered from a number of perspectives, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how, length of services and time to be devoted as a Director. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee will continue reviewing the composition of the Board to maintain diversity.

CORPORATE GOVERNANCE REPORT

Gender Diversity

As at the date of this annual report, the Board comprises eight Directors, one of which is female. The Board has achieved the gender diversity targets of at least one female Director, and the Board will continue to maintain gender diversity at Board level.

The Company is committed to promoting gender diversity not only within the Board but among its workforce generally. As at 31 December 2025, our total workforce comprised of 41% female and 59% male, whereas senior management comprised of 57% female and 43% male. The Board is of the view that the Group has achieved gender diversity among employees.

The Group's recruitment strategy is underpinned by the appointment of the right employee for the right position, in order to achieve employee diversity for all employees (including the senior management) in terms of gender, age, cultural and educational background, expertise, skills and know-how.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for the corporate governance functions of the Group, the specific written terms of reference of the corporate governance functions is available on the Company's website. The primary duties of the corporate governance functions are (a) reviewing the policies and practices on (i) corporate governance and (ii) compliance with legal and regulations requirements of the Company; (b) reviewing and monitoring the training and continuous professional development of the Directors and senior management; and (c) reviewing the Company's compliance with code and disclosure in this report.

During the year, the Board reviewed the policies and practices on corporate governance, the training and continuous professional development of Directors and senior management and the Company's compliance with code and disclosure in this report.

DIVIDEND POLICY

The Company has adopted a dividend policy as set out below:

1. Purpose

The policy aims to set out the approach for the declaration and payment of dividend by the Board.

2. Vision

The Company considers stable and sustainable returns to the Shareholders to be our goal.

3. Power of the Board

3.1 The Company may declare and distribute dividends to the Shareholders by way of cash or by other means that the Board considers appropriate.

3.2 In proposing any dividend payout, the Board shall also take into account, inter alia:-

- (i) the Company's actual and expected financial performance;
- (ii) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (iii) the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants;
- (iv) any restrictions on payment of dividends that may be imposed by the Group's lenders;
- (v) the Group's expected working capital requirements and future expansion plans;
- (vi) general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- (vii) any other factors that the Board deems appropriate.

CORPORATE GOVERNANCE REPORT

3.3 Any declaration and/or payment of future dividend is subject to the Board's determination that the same would be in the best interests of the Group and the Shareholders as a whole.

4. Governing rules

Declaration of the dividend by the Company is also subject to any restrictions under the laws of Bermuda, the bye-laws of the Company and any applicable laws, rules and regulations.

5. Approval

5.1 The Board may from time to time pay to the Shareholders such interim and/or special dividends as it considers to be justified by the profits of the Group.

5.2 Any final dividends declared by the Company must be approved by an ordinary resolution of the Shareholders at an AGM and must not exceed the amount recommended by the Board.

6. Review of this policy

The Board will review the policy from time to time and may exercise at its sole and absolute discretion to update, amend and/or modify the policy at any time as it deems fit and necessary.

7. Legal validity

The policy shall in no way constitute a legally binding commitment by the Company in respect of its future dividend and/or in no way obligate the Company to declare a dividend at any time or from time to time. There is no assurance that dividends will be paid in any particular amount for any given period.

COMPANY SECRETARY

The Company Secretary, a full time employee of the Company, reports directly to the Board and is responsible for, inter alia, providing updated and timely information to all Directors from time to time.

During the financial year ended 31 December 2025, the Company Secretary has complied with Rule 3.29 of the Listing Rules and took no less than 15 hours of relevant professional training.

SECURITIES TRANSACTIONS OF DIRECTORS

The Company has adopted the Model Code for Securities Transactions of Directors by Listed Issuers as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries to the Directors of the Company, all of them confirmed that they have complied with the required standard of dealings and the code of conduct throughout the year.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge that it is their responsibilities to prepare the financial statements of the Group and other financial disclosures required under the Listing Rules and the Management has provided such explanation and information to the Board to enable it to make an informed assessment of the financial and other Board decisions. The Directors believe that they have selected suitable accounting policies and applied them consistently, made judgment and estimates that are prudent and reasonable and ensured the financial statements are prepared on a "going concern" basis. The auditor of the Company has made a statement about their reporting responsibilities in the Independent Auditor's Report.

The Management has provided all members of the Board with monthly updates on internal financial statements so as to give the Directors a balanced and understandable assessment of the Company's performance, position and prospects.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibilities for establishing and maintaining appropriate and effective risk management and internal control systems, and for determining the nature and extent of the risks it is willing to take in achieving its strategic objectives. The Management is primarily responsible for the design, implementation and monitoring of the risk management and internal control systems.

Procedures have been designed for safeguarding the Group's assets against unauthorised use or disposal, maintaining proper accounting records, ensuring the reliability and usefulness of financial information for internal business use or for publication, and monitoring the compliance with applicable laws, rules and regulations. Furthermore, they are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatements or losses.

The key risk management and internal control procedures include the following:

(i) Delegation of authority within limits set by the Board

The Management of business units and functional departments have been delegated powers and authorities by the Board to carry out the day-to-day management, operation, and maintenance of the internal control systems that are appropriate to their business or function. The Group has adopted a tailored governance and organisational structure with formal and clearly defined lines of responsibility and delegation of authority to ensure segregation of duties with check and balance controls are effectively in place.

(ii) Risk management process

The Credit and Risk Management Policy is formulated and adopted to regulate the setting up of system and procedures which are used to identify, evaluate, manage, and report on the material risk types facing the Group including strategic, operations, compliance, reporting, information and technology risks as well as environmental, social and governance risks.

The Group maintains a risk register to keep track of all identified major risks of the Group. The risk register provides the Board, the Audit Committee and management with a profile of its major risks and records management's action taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group.

(iii) Changes in market condition/external environment

Processes are in place to identify new risks (including environmental, social and governance risks) arising from changes in market conditions or external environment which could expose the Group to heightened risk of loss or reputational damage. The Management is primarily accountable for measuring, monitoring, mitigating and managing the risks and controls in their areas of responsibility.

(iv) Financial reporting

The Management monitors the business activities closely and reviews monthly financial results of operations against budgets and forecasts. Proper controls are in place for the recording of complete, accurate and timely accounting and management information. In addition, regular reviews and statutory audits are performed by our external auditor to ensure that the preparation of the Group's financial statements are carried out in accordance with generally accepted accounting principles, the Group's accounting policies and applicable laws and regulations.

(v) Internal audit

There is currently no internal audit function within the Group. The Directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs.

The Company currently engaged external independent professionals to review the Group's system of internal controls and risk management annually and will further enhance the Group's internal control and risk management systems as appropriate. Nevertheless, the Directors will continue to review at least annually the need for an internal audit function.

CORPORATE GOVERNANCE REPORT

(vi) Inside information

There are internal procedures and controls for the handling and dissemination of inside information. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group will immediately disclose the information to the public. The Group is committed to ensure that information contained in announcement or circulars are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

(vii) Anti-money laundering

The Group has policies and procedures in governing Know Your Clients ("KYC") and Anti-Money Laundering ("AML"). To ensure the Group is compliant with all the regulatory rules, a robust review program on KYC and AML have been put in place.

The Group appoints a designated staff as the Money Laundering Reporting Officer to hold responsibility for investigating AML issue and reporting if necessary.

To ensure all the staff within the Group keep abreast of the latest knowledge and regulatory updates in respect to KYC and AML, induction training as well as annual training is provided.

(viii) Whistle-blowing channels

The Group maintains a whistle-blowing policy to encourage employees to report any suspected misconduct contrary to our ethical belief in confidence without the fear of recrimination. Procedures are established for employees to raise complaints directly to the human resources department, which will evaluate the complaint and determine whether an investigation is appropriate. Human resources department coordinates with relevant departments for investigation where necessary and recommendations for improvements are communicated to the respective management for implementation. Audit procedures, investigation results and subsequent follow-up actions taken are reported to the Audit Committee on an annual basis.

(ix) Anti-corruption policy

The Board has adopted an anti-corruption policy. The Group is committed to conducting business honestly, ethically and with integrity. In line with such commitment, the anti-corruption policy sets out the responsibilities of all business units and employees of the Group to comply with the applicable anti-corruption laws, rules and regulations. The Group adopts a zero-tolerance principle against corrupt practices. All employees are prohibited from soliciting, accepting or offering advantages from or to clients, suppliers or any person having business dealings of any kind with the Group.

Overall assessment

The Board, through the Audit Committee, has conducted an annual review of the effectiveness of our risk management and internal controls systems covering all material controls, including financial, operational and compliance controls, and the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting and financial reporting functions.

During the year ended 31 December 2025, the Group engaged an independent professional consultancy firm for performing independent review of the adequacy and effectiveness of the internal control and risk management. The consultancy firm identified and assessed the risks of the Group through a series of interviews; and independently performed internal control review and assessed effectiveness of the Group's risk management and internal control systems. The review results has been properly reported to the Audit Committee.

In addition, the Board has received confirmation from the Management that the Group's risk management and internal controls systems are effective.

During the year ended 31 December 2025, the Board is not aware of any material internal control deficiency or significant areas of concern that may affect Shareholders' interests.

CORPORATE GOVERNANCE REPORT

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Board has overall responsibility for the Group's environmental, social and governance strategy and reporting. The Board is responsible for the Group's environmental, social and governance ("ESG") risk management and internal control systems to ensure that ESG strategies and reporting requirements are met. Details information on the ESG practices adopted by the Group is set out in the "Board Statement" section of the ESG Report of this annual report.

SHAREHOLDER COMMUNICATION POLICY

The Company believes that effective communication with Shareholder is essential for enhancing Shareholder's knowledge and understanding of the Company. To achieve this, the Company pursues a proactive policy of promoting Shareholder communication. The main purpose of the Company's Shareholder communication policy, therefore, is to enable Shareholder to have access, on a fair and timely basis, to information that is reasonably required for making the best investment decisions.

Information relating to the Group is mainly communicated to Shareholder through publication of notices, announcements and circulars at the websites of the Company and the Stock Exchange and despatch of interim reports, annual reports and circulars to the Shareholder. Shareholder's general meetings are held in compliance with the Listing Rules and other legal requirements to ensure communication and interaction with Shareholder.

The Board reviews the Shareholder communication policy on an annual basis, and makes any changes it considers necessary to ensure its effectiveness and that the legal interests of Shareholder is substantially protected.

The Board has conducted a review of the implementation and effectiveness of the Shareholder communication policy of the Company. Having considered the diverse channels of communication in place, the Board is satisfied that an effective Shareholder communication policy has been properly implemented throughout the year ended 31 December 2025.

SHAREHOLDERS ENGAGEMENT

The general meetings of the Company provide a communication channel between the shareholders and the Board. An annual general meeting of the Company is held each year at a location as may be determined by the Board. Each general meeting, other than an annual general meeting, is called a special general meeting. The Board may, whenever it deems fit, convene a special general meeting. Any vote of the shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands.

CONSTITUTIONAL DOCUMENTS

During the year under review, the Company has adopted the amended and restated bye-laws by a special resolution passed on 3 June 2025. An up-to-date version of the Company's Memorandum of Association and Amended and Restated Bye-laws is available on the Company's website and the Stock Exchange's website.

SHAREHOLDERS' RIGHTS

Convening a SGM and putting forward proposals at general meetings

Pursuant to the bye-laws of the Company, Shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth (10%) of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right to submit a written requisition requiring a SGM to be called by the Board.

The written requisition (i) must state the object(s) of the meeting, and (ii) must be signed by the requisitionists and deposited at the registered office of the Company for attention of the Company Secretary of the Company, and may consist of several documents in like form, each signed by one or more requisitionists. Such requisitions will be verified with the Company's share registrar and upon its confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to convene a SGM by serving sufficient notice to all Shareholders. On the contrary, if the requisition has been verified as not in order, the requisitionists will be advised of this outcome and accordingly, the SGM will not be convened as requested.

CORPORATE GOVERNANCE REPORT

If Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a SGM for a day within 2 months after the date of deposit of such requisition, the requisitionists or any of them representing more than one-half of the total voting rights of all of them may convene a SGM, but any SGM so convened shall not be held after the expiration of 3 months from the said date of deposit of the requisition. A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by Directors.

Pursuant to the Bermuda Companies Act 1981, either any number of the registered Shareholders holding not less than one-twentieth (5%) of the paid-up capital of the Company carrying the right of voting at general meetings of the Company ("Requisitionists"), or not less than 100 of such registered Shareholders, can request the Company in writing to (a) give to Shareholders entitled to receive notice of the next AGM notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to Shareholders entitled to have notice of any general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting. The requisition signed by all the Requisitionists must be deposited at the registered office of the Company with a sum reasonably sufficient to meet the Company's relevant expenses and not less than 6 weeks before the meeting in case of a requisition requiring notice of a resolution or not less than 1 week before the meeting in the case of any other requisition. Provided that if an AGM is called for a date 6 weeks or less after the requisition has been deposited, the requisition though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

Enquiries from Shareholders

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong or tel: (852) 2980 1333 or email: cfs510@cash.com.hk.

Other Shareholders' enquiries can be directed to the Group Public Affairs Department of the Company at 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong or tel: (852) 2287 8888 or fax: (852) 2287 8000 or email: inquiry@cash.com.hk.

AUDITOR'S INDEPENDENCE AND REMUNERATION

The Audit Committee is mandated to review and monitor the independence of the auditor to ensure objectivity and the effectiveness of the audit process of the financial statements in accordance with applicable standard. Members of the Audit Committee were of the view that the Company's auditor, Messrs. Deloitte Touche Tohmatsu is independent and has recommended the Board to re-appoint it as the Company's auditor at the forthcoming AGM. During the year, Messrs. Deloitte Touche Tohmatsu has rendered audit services and certain non-audit services to the Company and the remuneration paid/payable to it by the Company are set out as follows:

Services rendered	Fees paid/payable
	HK\$
Audit services	2,409,000
Non-audit services:	
Review of the preliminary results announcement	35,000
	<u>2,444,000</u>

On behalf of the Board

Dr Bankee P. Kwan, BBS, JP

Chairman & CEO

Hong Kong, 27 March 2026

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

This Environmental, Social and Governance Report (the “ESG Report”) summarises the environmental, social and governance (“ESG”) initiatives, plans and performances of the Group and demonstrates its commitment to sustainable development.

Scope of Reporting

Unless stated otherwise, this ESG Report covers business activities of the Group and its subsidiaries in Hong Kong and China. The ESG data and key performance indicators (“KPIs”) included in this ESG Report cover the areas for which the Group has direct access to information and operational control, specifically, our offices located in Kowloon Bay and Causeway Bay, Shenzhen, Shanghai and Qingdao.

Reporting Period

This ESG Report specifies the ESG activities, challenges, measures taken, compliance and results of the Group during the financial year ended 31 December 2025 (the “Reporting Period”).

Reporting Framework

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (“ESG Reporting Code”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on Main Board of Stock Exchange. Information relating to the Group’s corporate governance practices can be found in the Corporate Governance Report on pages 18 to 31 of this annual report.

During the preparation for this ESG Report, the Group has applied the reporting principles stipulated in the ESG Reporting Code as follows:

- The materiality assessment was conducted to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for the preparation of the ESG Report. Please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment” for further details.

- The Group records, calculates and discloses quantitative information and conducts comparisons with past performance whenever feasible.
- Supplementary notes are added along with quantitative data to explain any standards, methodologies, and source of conversion factors used during the calculation of emissions and energy consumption.



- The Group follows the principles of accuracy, objectivity and fairness to report its achievements and challenges in sustainable development.

- The preparation approach of this ESG Report was substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR COMMITMENT

Our Group aims to be a Total Caring Organisation. We are dedicated to:

- Meeting the needs of our customers with quality products and innovative services;
- Creating an enjoyable work environment to engage our employees and maximise their potential;
- Minimising our impact on the natural environment; and
- Contributing to the betterment of the community, especially that of the next generation.

GOVERNANCE STRUCTURE AND STATEMENT OF THE BOARD

Oversight of ESG Issues

The Board of Directors (the "Board") holds the ultimate responsibility on monitoring the Group's ESG issues, including ESG management approach, strategy, goals, targets and policies. In order to better manage the Group's ESG performance and identify potential risks, the Board oversees materiality assessment with the assistance of the ESG Committee to identify, evaluate and prioritise material ESG issues with reference to stakeholders' opinions.

The ESG Committee

The ESG committee, composing of core members from different departments, is established to facilitate the Board's oversight of ESG matters. The ESG committee is responsible for collecting and analysing ESG data, monitoring and evaluating the Group's ESG performance against targets, ensuring compliance with ESG-related laws and regulations, and preparing ESG reports. The ESG committee meets annually to assess the effectiveness of existing ESG policies and procedures and to recommend enhancements that can further improve the Group's overall ESG performance. The ESG committee report to the Board through a structured reporting mechanism that combines briefings and ad hoc reporting, to assist the Board in assessing and identifying the Group's climate risks and opportunities.

CLIMATE-RELATED DISCLOSURES

GOVERNANCE

The Board considers a broad spectrum of climate-related risks and opportunities in setting the Group's strategic direction, and ensures these factors are fully integrated into its oversight of strategy, major transactions, and policies. ESG considerations and stakeholder expectations are fully embedded in decision making by assessing whether proposed transactions, and controls and mitigation measures align with the Group's climate commitments. The Board balances short-term financial implications with long-term resilience to support informed, forward-looking decisions that enable sustainable performance.

The Board further oversees the development of climate-related targets, ensuring they are grounded in credible data, aligned with strategic priorities. It reviews progress against these targets on a needed basis. Although climate-related performance indicators are not yet incorporated into remuneration policies, the Group's commitment to achieving its climate objectives remains fully intact.

Internal controls and review mechanisms are integrated into the operations of business units. These include climate-related risks assessments, as well as cross-functional reviews of regulatory and market developments.

All the Directors and senior personnel in the ESG committee have received sustainability training. The Board is kept informed of emerging ESG developments, including energy policies, regulatory updates and evolving market best practices. ESG training is embedded in the ongoing development of Directors and senior management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STRATEGY

A Culture Built on Care

As a Total Caring Organisation, we place care at the center of everything we do – care for how we govern, how we operate, and how we support the people and communities connected to our business. This philosophy guides our decisions, shapes our culture, and defines our long-term ambitions. We believe that responsible growth is only possible when we uphold strong ethics, protect the environment, and invest in the well-being of our workforce and stakeholders. By embracing care as both a mindset and a strategy, we strive to create lasting value and contribute positively to the world around us.

Caring for Today, Tomorrow, and the Future

We have defined clear time horizons to guide the effective implementation of our strategy and to track our progress throughout the journey. Each period represents a deliberate phase of action, allowing us to build momentum in a structured and measurable way. By defining the purpose of each period, we ensure that our efforts remain focused, coordinated, and aligned with our overarching ambition.

Short-term (1–5 years): Our near-term priorities centre on strengthening operational efficiency, ensuring full compliance, and building the data and governance foundations needed to support our broader ESG strategy.

Medium-term (6–10 years): Over the medium-term, we will make meaningful progress on our ESG targets that embed sustainable practices across our operations. These goals are designed to deliver measurable improvements on our material topics and align with our corporate strategic planning.

Long-term (10+ years): Our long-range ambitions focus on transformational outcomes that contribute to wider societal and environmental goals, including climate action and the transition to a circular economy. These aspirations position us to play a leading role in shaping a sustainable future.

Managing Climate-related Risks and Opportunities

Climate change presents both risks and opportunities. We take a balanced approach that considers potential positive and negative impacts, enabling us to maximise value while minimising adverse effects on our business.

Physical Risks, Transition Risks and Opportunities

We categorise climate-related impacts into physical risks, transition risks and opportunities that are reasonably expected to affect our cash flows, access to finance, or cost of capital.

Physical risks: These include acute events – such as extreme heat, rainfall, storms and other natural disasters – that may disrupt our supply chain and infrastructure, as well as chronic changes like rising sea levels and shifting climate patterns that could affect long-term business viability.

Transition risks: They stem from the global shift toward a low carbon economy, including more stringent laws and regulations on environmental protection, carbon emission and waste generation. Technological developments and changing market preferences for green companies may require adjustments to our business model and operations. These changes may lead to increased risks of regulatory non-compliance resulting in legal, technological, market and reputational risks.

Opportunities: The transition to a low-carbon business model may bring us opportunities. Growing ESG awareness among consumers gradually shapes the market as preferences shift toward more responsible businesses. Efforts to improve energy efficiency and reduce waste not only lower operating costs in the short-term, but also help streamline and optimize operations over the medium-term. Emerging low-carbon markets are expected to mature within the next three to ten years, creating new opportunities for growth and innovation. By actively disclosing ESG performance and taking concrete action, we can enhance our reputation, attracting new capital and customers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Effects on Business Model and Value Chain

The Group has identified the following risks and opportunities on its business model and value chain:

Risk Type	Description	Effects on Business Model	Effects on Value Chain
Physical Risks			
Acute Risk	Increased severity of extreme weather <ul style="list-style-type: none"> • Extreme heat • Rainfall/flooding • Tropical cyclones 	<ul style="list-style-type: none"> • Damages property and assets in areas affected by extreme weather • Increases need for air-conditioning and energy use 	<ul style="list-style-type: none"> • Interrupts supply chains • Reduces availability of insurance on assets in risks exposed areas • Lowers sales / output due to business disruption
Chronic Risk	Variability in climate and precipitation patterns <ul style="list-style-type: none"> • Changing climate patterns 	<ul style="list-style-type: none"> • Affects employee health and safety • Disrupts utilities supply • Increases maintenance costs and insurance premiums • Reduces short-term revenue • Impacts asset values 	<ul style="list-style-type: none"> • Disrupts cloud services • Affects costs and availability of utilities
Transition Risks			
Regulatory Risks	<ul style="list-style-type: none"> • Increased carbon pricing • Mandatory reporting obligations • Regulation of existing products and services • Exposure to litigation 	<ul style="list-style-type: none"> • Increases regulatory requirements on carbon pricing • Retires existing assets early due to policy changes • Changes in energy efficiency standards • Increases costs on adopting new processes for compliance 	<ul style="list-style-type: none"> • Induces structural changes in compliance throughout the value chain • Increases risks from non-compliance of suppliers or partners • Reduces demand for high-emissions products and services • Lowers profit margin due to upstream compliance costs
Market Risks	<ul style="list-style-type: none"> • Changing consumer behaviour • Unpredictable market demand • Changes in competitive landscape 	<ul style="list-style-type: none"> • Changes input prices (e.g legal and compliance expenses) • Increases output requirements (e.g. on waste treatment and emission control) 	<ul style="list-style-type: none"> • Disrupts existing upstream and downstream partnerships as procurement shifts toward greener alternatives
Reputational Risks	<ul style="list-style-type: none"> • Criticism of industry sector • Negative stakeholder feedback 	<ul style="list-style-type: none"> • Increases the difficulty of talent retention and workforce planning • Lowers ability to attract capital 	<ul style="list-style-type: none"> • Reduces demand of goods and services throughout the value chain

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Opportunity Type	Description	Effects on Business Model	Effects on Value Chain
Efficiency Gains	<ul style="list-style-type: none"> • More efficient and diverse service offerings • Savings from optimising resources • Energy and water efficiency • Use of new technologies 	<ul style="list-style-type: none"> • Improves efficiency from flexible work arrangements during extreme weather • Improves profit margins • Benefits employee health, satisfaction, and productivity • Reduces exposure to fossil fuel price increases • Increases capital availability 	<ul style="list-style-type: none"> • Increases capacity and resource utilisation throughout the value chain • Reduces operational costs due to upstream improvements
Market Opportunities	<ul style="list-style-type: none"> • Access to new markets • Opportunity to expand geographically 	<ul style="list-style-type: none"> • Increases revenue source from new markets • Diversifies geographically 	<ul style="list-style-type: none"> • Fosters maturity of the entire value chain via expanded product and service offerings
Consumer Preference	<ul style="list-style-type: none"> • Changes in consumer behaviour and expectations 	<ul style="list-style-type: none"> • Opens up new revenue streams • Increases market share of green companies 	<ul style="list-style-type: none"> • Incentivizes sustainable innovation throughout the value chain, driven by downstream demands

Climate Resilience

To assess the potential impacts of climate change on our operations, supply chain, and business model, we have conducted a climate scenario analysis in FY2025. Two externally recognised climate pathways were chosen after considering the scenarios of Intergovernmental Panel on Climate Change ("IPCC"), and the Network for Greening the Financial System ("NGFS").

The analysis evaluates physical risks, transition risks and opportunities across short-, medium-, and long-term horizons. The results provide insights on how these risks and opportunities could influence our strategy, resource allocation, and overall capacity to adapt under different climate scenarios. Despite thorough consideration, we also recognize significant uncertainties, including future policy directions, technology adoption rates, and the severity of climate impacts.

Scenario Selection: The two chosen climate pathways are widely used and take reference to the scenarios presented by the IPCC. They will help us assess the level of exposure from risks and opportunities, and support our future strategic planning.

Scenarios¹

Key Assumptions

<2°C scenario

Warming limited to less than 2°C (above pre-industrial levels) before 2100

- ≤2°C policy ambition
- Immediate policy reaction
- Fast technological change
- Rapid grid decarbonisation
- Rising customer expectations
- Low local exposure to hazards

>4°C scenario

Warming exceeds 4°C (above pre-industrial levels) before 2100

- ≥4°C policy ambition
- Delayed policy reaction
- Slow technological change
- Gradual grid decarbonisation
- Mild shift in customer expectations
- High local exposure to hazards

Note:

1. Source of the two scenarios: Shared Socioeconomic Pathways ("SSP") from the IPCC's Sixth Assessment Report, SSP1-2.6 and SSP5-8.5. SSP1-2.6 represents a relatively low emissions scenario, while SSP5-8.5 denotes a high emissions scenario.

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Scope and Time Horizons: The analysis covers all of our major operating locations in Hong Kong and China. Impacts were evaluated across short-term (1–5 years), medium-term (6–10 years), and long-term (10+ years) horizons, consistent with our time horizons outlined in the Strategy section.

Methodology: For each scenario, we assess the potential operational and financial implications of identified climate-related risk and opportunity factors. While full quantitative modelling is still in progress, we remain committed to strengthening our data systems and analytical capabilities to support more detailed and quantitative scenario assessments in the future.

Assessment Results: The results of our climate scenario analysis are presented below:

Type	Relevance or Assumptions	Impact Under a <2°C Scenario			Impact Under a >4°C Scenario		
		Short-term	Medium-term	Long-term	Short-term	Medium-term	Long-term
Physical Acute							
<i>Extreme Heat</i>	Affects health and productivity	Low	Low	Low	Low	Low	Low
<i>Rainfall/Flooding</i>	Damages facilities	Low	Low	Low	Low	Low	Low
<i>Tropical Cyclones</i>	Results in damages to facilities	Low	Low	Low	Low	Low	Low
Physical Chronic							
<i>Changing Climate Patterns</i>	Increases risks of business viability	Low	Low	Low	Low	Low	Low
Transition							
<i>Regulatory Risks</i>	Increases costs of compliance	Low	Low	Low	Low	Low	Low
<i>Market Risks</i>	Changes in market demands	Low	Low	Low	Low	Low	Low
<i>Reputational Risks</i>	Affects corporate image and business	Low	Low	Low	Low	Low	Low
Opportunities							
<i>Efficiency Gains</i>	Reduces costs and improves margins	Low	Low	Low	Low	Low	Low
<i>Market Opportunities</i>	Accesses new markets	Low	Low	Low	Low	Low	Low
<i>Consumer Preference</i>	Opens new opportunities	Low	Low	Low	Low	Low	Low

Our climate-related risks and opportunities are concentrated in Hong Kong and a few major cities in China, which are our principal places of operations. Nonetheless, these cities are characterised by well-developed infrastructure, strong emergency preparedness, and robust public healthcare systems. These conditions help moderate exposure to acute physical risks and support continuity across our business activities.

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Our Adaptation and Mitigation Plans

Based on the findings of the scenario analysis, we have formulated the below adaptation and mitigation measures to tackle physical risk, transition risks, and opportunities:

Type	Adaptation and Mitigation Measures
Physical Acute Risks	<p>To effectively tackle the acute risks, we have a robust emergency plan that includes staff training to enhance our resilience:</p> <ul style="list-style-type: none"> • Implement localized mitigation measures and conduct regular drills to address increasingly severe weather risks; • Activate contingency plans with flexible work arrangements in event of extreme weather; • Advise employees to undertake precautionary measures when necessary; • Promote ventilation and cooling improvements in facilities to improve working conditions; • Position servers, air conditioners, and other critical equipment in locations that meet required flood and wind resistance standards; and • Explore energy-efficient equipment and alternative energy sources to reduce reliance on traditional energy supplies.
Physical Chronic Risks	<p>Consideration is given in our long-term planning to tackle chronic risks:</p> <ul style="list-style-type: none"> • Consider flood hazards during office site selection; • Use water-saving equipment and retrofit existing equipment to improve water efficiency; and • Assess alternative water source availability in case of shortages.
Transition Risks	<p>We are strengthening climate governance, and accelerating the shift toward low-carbon technologies and business models to tackle transition risks:</p> <ul style="list-style-type: none"> • Monitor market trends and changes in legal requirement to ensure we satisfy the demands of customers and authorities at all times; • Maintain transparency by producing high-quality climate disclosure; • Collaborate with suppliers to promote adoption of low-carbon processes and technologies; and • Consider climate-related risk in products, services, and value chain to ensure market risks are effectively monitored.
Opportunities	<p>We leverage industry insights to identify and secure emerging climate-related opportunities:</p> <ul style="list-style-type: none"> • Develop lower-carbon service offerings; • Invest in energy-efficient and low-emission technologies to reduce costs; • Explore the possibility to invest in green bonds to support climate-positive investments.

Current and Anticipated Financial Effect

The Group did not recognize any impairment loss on assets damaged by acute risks in FY2025. We have not yet deployed any capital expenditure, financing or investment towards climate-related risks and opportunities. Internal carbon prices are currently not applied in our scenario analysis or decision-making.

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Our Long-term Transition Plan

A long-term transition plan will set out a clear direction to transform our operations into a low-carbon, climate-resilient business. We are setting long-term climate-related targets supported by short-, medium-, and long-term milestones, all measured against a 2025 base year to ensure consistent comparison over time. These targets have taken reference of Hong Kong's long-term decarbonisation pathway and its goal of achieving carbon neutrality, ensuring that our efforts contribute meaningfully to the city's broader climate ambitions.

To deliver on this plan, we will focus on decarbonising our operations through improved energy efficiency, responsible resource management, and the adoption of lower-carbon technologies. We will also strengthen climate resilience by enhancing risk management, and collaborating with partners across our value chain. Our transition plan relies on the collective efforts of our employees and broader community, as well as the pace at which the national grid decarbonises.

The Group develops its target internally based on its strategic planning and did not apply the Science Based Target initiative's Sectoral Decarbonisation Approach. The use of carbon credits to achieve any net targets is currently not considered. Below sets forth the phrased targets over our time horizon:

Targets

Energy Consumption Intensity	<ul style="list-style-type: none">• Short-term: 2% reduction when compared to 2025• Medium-term: 5% reduction when compared to 2025• Long-term: 10% reduction when compared to 2025
Non-hazardous Waste Intensity	<ul style="list-style-type: none">• Short-term: 2% reduction when compared to 2025• Medium-term: 5% reduction when compared to 2025• Long-term: 10% reduction when compared to 2025
Greenhouse Gas ("GHG") Emissions Intensity (Scope 1 & 2)	<ul style="list-style-type: none">• Short-term: 2% reduction when compared to 2025• Medium-term: 5% reduction when compared to 2025• Long-term: 10% reduction when compared to 2025

RISK MANAGEMENT

Risk Management Framework

The Group has in place a risk management framework. Climate-related risk and opportunity identification, assessment, prioritisation, and management are fully integrated into the Group's overall risk management processes. The relevant policy and processes are reviewed annually and updated when necessary.

Climate-related risks and opportunities are examined across the Group through a coordinated, multi-level process. Strategic direction is set at the top, with the Board providing oversight and regularly reviewing the most significant climate-related issues. At the same time, operational teams contribute detailed, ground-level insights by assessing their own exposures on an annual basis. When a potential risk is identified, the relevant department will design and carry out mitigation actions.

All identified climate-related risks and opportunities play a role in shaping our strategic direction, operational priorities, and internal policies. We evaluate each item based on its potential impact and the likelihood of occurrence, creating a clear profile that supports informed decision-making. These evaluations also underpin the scenario analysis outlined above. Risks that score highly on both impact and likelihood are elevated in priority and addressed ahead of lower-rated issues to ensure our resources are focused where they matter most.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their feedback regarding its businesses and ESG performance. To understand and address their key concerns, the Group has maintained close communication with its key stakeholders, including but not limited to employees, shareholders and investors, customers, suppliers and business partners, government and regulatory authorities, and the community.

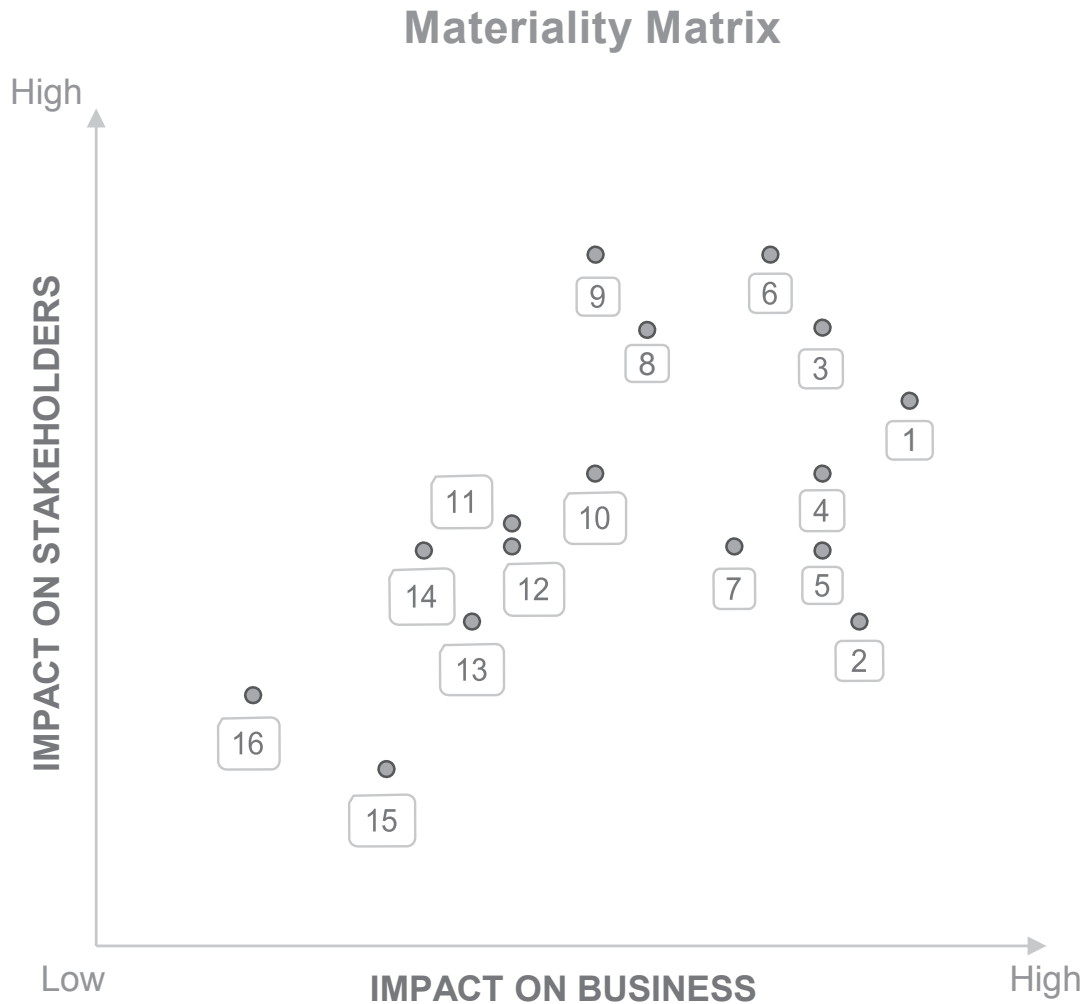
In formulating business and ESG strategies, the Group considers stakeholder expectations through a diverse range of engagement methods and communication channels, as shown below:

Stakeholders	Communication Channels	Expectations
Employees	<ul style="list-style-type: none"> • Regular performance appraisal • Training and workshops • Internal announcement 	<ul style="list-style-type: none"> • Remuneration and benefits • Equal opportunities • Career development • Occupational health and safety
Shareholders and Investors	<ul style="list-style-type: none"> • Annual general meeting • Financial reports • Announcements and circulars 	<ul style="list-style-type: none"> • Financial performance • Information transparency • Shareholder rights protection
Customers	<ul style="list-style-type: none"> • Customer service hotline and email • Company website 	<ul style="list-style-type: none"> • Customer privacy protection • High quality customer services • Business ethic and integrity
Suppliers and Business Partners	<ul style="list-style-type: none"> • Supplier conferences and meetings 	<ul style="list-style-type: none"> • Supply chain management • Fair and open procurement • Mutual benefit
Government and Regulatory Authorities	<ul style="list-style-type: none"> • Regular performance supervision and evaluation • Written or electronic correspondences • Publications 	<ul style="list-style-type: none"> • Compliance with laws and regulations • Corporate governance
Community	<ul style="list-style-type: none"> • Community events • ESG reports 	<ul style="list-style-type: none"> • Community participation • Corporate social responsibility • Employment opportunities • Environmental protection

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT

A materiality assessment survey was conducted during the Reporting Period to identify the ESG factors most relevant to the Group’s business operations. Through this process, we gathered feedback from our stakeholders on the ESG issues they consider most significant. Results of the survey is presented in the materiality matrix below:



Major ESG Issues

- | | |
|--|-------------------------------------|
| 1. Employee remuneration and benefit | 9. Occupational health and safety |
| 2. Equal opportunities and anti-discrimination | 10. Anti-corruption |
| 3. Anti-money laundering (“AML”) and counter-terrorist financing (“CTF”) | 11. Product responsibility |
| 4. Data and privacy protection | 12. Climate change |
| 5. Development and training | 13. Supply chain management |
| 6. Customer services | 14. Responsible use of resources |
| 7. Emission control | 15. Advertising and labelling |
| 8. Employee recruitment and promotion | 16. Corporate social responsibility |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

CONTACT US

The Group welcomes stakeholders to provide their opinions and suggestions. You can provide your valuable advice with regard to the ESG Report or the Group's performances in sustainable development by visiting our website at www.cfsg.com.hk.

A. ENVIRONMENTAL

We actively promote the concept of "Green CASH" as a core expression of our commitment to environmental responsibility. This concept guides the way we manage our operations, make procurement decisions, and engage with our stakeholders. Through "Green CASH," we encourage resource efficiency, responsible consumption, and the adoption of environmentally friendly practices across the organisation. By integrating sustainability into everyday actions and long-term planning, we aim to reduce our ecological footprint and contribute to a greener, more resilient future for the communities we serve.

A1. Emissions

The Group's ESG commitment has been widely recognised through multiple awards in recent years. These achievements reflect our dedication to integrating sustainability into every aspect of our operations and demonstrate the positive impact of our ongoing efforts. The recognition encourages us to continue raising the bar as a Total Caring Organisation. Awards received by the Group during the Reporting Period are listed below:

Date	Name of Award	Awarding Organisation
Jun 2025	Hong Kong Green Organisation Certificate – WasteWi\$e Certificate (Good Level)	Environmental Campaign Committee

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to air and GHG emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste that would have a significant impact on the Group. The said laws and regulations include but are not limited to the Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), the Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), and the Environmental Protection Law of the People's Republic of China.

Air Emissions

Due to the Group's business nature, only an immaterial amount of air emissions was generated from the use of company vehicles. The use of such vehicles has increased during the Reporting Period, leading to an increase in air emissions. Descriptions of emissions mitigation measures are provided in the section – GHG Emissions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Summary of air emissions performance:

Types of air emissions	Unit	2025	2024
Nitrogen Oxides (NO _x)	kg	2.10	1.25
Sulphur Oxides (SO _x)	kg	0.07	0.04
Particulate Matter (PM)	kg	0.15	0.09

GHG Emissions

GHG emissions of the Group were generated from purchased electricity consumed in offices (Scope 2). To reduce GHG emissions, the Group has actively adopted energy conservation measures to achieve green office which are described in the section headed "Energy Management". On the other hand, video-conferencing systems have been installed in offices to reduce travel and as a result reduced other indirect GHG emissions.

The Group's GHG emissions intensity (Scope 1 & 2) has decreased when compared to that of the previous year, primarily due to the Group's Causeway Bay office being closed for 8 months during the year as part of our efforts to optimise space utilisation and streamline operations. The Group has previously set a target to reduce its GHG emissions intensity (Scope 1 & 2) in 2025, when compared to 2021. The target was not met due to declined revenue, resulting in a lower base for intensity calculation.

In accordance with the aforementioned transition plan, the Group has set a new short-term target to reduce its GHG emission intensity (Scope 1 & 2) by 2% by 2030, compared to the baseline year of 2025.

Summary of GHG emissions performance:

Scope of GHG emissions ²	Unit ³	2025	2024
Scope 1 Direct GHG Emissions	tCO ₂ e	11.82	6.76
Scope 2 Energy Indirect GHG Emissions			
– Location-based ⁴	tCO ₂ e	95.49	107.29
Scope 1 & 2 GHG Emissions	tCO ₂ e	107.31	114.05
Scope 1 & 2 GHG Emissions Intensity ⁵	tCO ₂ e/million revenue	1.60	2.25
Scope 3 Other Indirect Emissions			
– Category 5: Waste Generated in Operations	tCO ₂ e	43.62	N/A
– Category 6: Business Travel	tCO ₂ e	12.60	N/A
– Category 7: Employee Commuting	tCO ₂ e	0.08	N/A
Scope 3 GHG Emissions (Scope 3)	tCO ₂ e	56.30	N/A
Scope 1, 2 & 3 GHG Emissions	tCO ₂ e	163.61	N/A
Scope 1, 2 & 3 GHG Emissions Intensity ⁵	tCO ₂ e/million revenue	2.43	N/A

Notes:

- GHG emissions data is based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, the Global Warming Potential Values from the IPCC Sixth Assessment Report, 2014 (AR5), the 2024 Sustainability Report issued by Hong Kong Electric, and the 2024 Sustainability Report issued by CLP Holdings Limited. Scope 3 emissions data is calculated with reference, but not limited to, the International Civil Aviation Organization, the Hong Kong Low Carbon Living Calculator, and the Department for Environment, Food & Rural Affairs of UK.
- Our GHG emissions include CO₂, CH₄ and N₂O and are converted to reflect the tonnes of CO₂ equivalent.
- Scope 2 emissions are calculated using a location-based approach, which considers the average emission intensity of the local electricity grid where the energy is consumed.
- During the Reporting Period, the Group recorded a revenue of approximately HK\$67,255,000 (2024: HK\$50,768,000). The data is also used for calculating other intensity data.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Sewage Discharge

Due to the Group's business nature, the sewage discharge into land is insignificant. Similarly, there was no significant amount of sewage water discharged; used water was discharged to the municipal sewage network to the city's water treatment plant.

Waste Management

The Group does not generate any hazardous waste in its operations. Non-hazardous waste arising from our business activities consists primarily of paper. We are committed to high standards of waste reduction and actively promote sustainability awareness among employees, equipping them with the knowledge and support needed to put these practices into action.

In our offices, waste-separation facilities are in place to encourage responsible disposal. Recycling bins are provided for paper, plastic bottles, aluminium cans, and used toner cartridges, all of which are collected and delivered to authorised recycling agents for further processing.

Apart from recycling, a series of programmes and activities have been launched in the office to encourage the participation of staff towards waste management, which include:

- Implementing a Green Information and Communication Technology (ICT) Platform, including systems such as E-workflow and CASHARE (intranet) to build a highly efficient "paperless, IT-driven and systematic" working environment;
- Installing multi-functional printers with card authentication system in order to reduce paper waste in the office by preventing uncollected printouts from piling up in the printer tray;
- Achieving waste reduction goals set under the Wastewi\$e Certificate recognition scheme, an environmental awareness scheme led by the Environmental Campaign Committee and the Environment and Ecology Bureau of Hong Kong;
- Posting a "green message" reminder on all office equipment;
- Applying used envelopes for internal document circulation; and
- Recommending duplex or 2-on-1 page copying on recycled paper.

The Group encourages our stakeholders to join us in pursuing more sustainable ways of operating. To reduce paper consumption, we offer shareholders the option to receive corporate communications electronically, and we promote the use of e-statements through our online portal. By shifting toward digital channels, we aim to minimise resource use while providing stakeholders with convenient, timely access to information.

The Group's paper waste intensity has decreased during the Reporting Period due to the Group's Causeway Bay office being closed for 8 months during the year as part of our efforts to optimise space utilisation and streamline operations. The Group has previously set a target to reduce its paper waste intensity in 2025, when compared to 2021. The Group has successfully met its target and reduced its paper waste intensity through digital workflows, electronic approvals, and online communication channels. From paper-based processes, departments have been encouraged to prioritise electronic documentation, reduce printing and unnecessary hardcopy storage.

The Group has broadened its data-collection scope and now includes disclosures on general office waste beyond paper, strengthening the completeness and transparency of our environmental reporting. To ensure the effectiveness of our reduction and conservation measures, the Group has set a new short-term target to reduce its non-hazardous waste intensity by 2% by 2030, compared to the baseline year of 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Summary of major non-hazardous waste discharge performance:

Types of waste	Unit	2025	2024
Office Paper	kg	701.66	1,473.49
Paper Waste Intensity	kg/million revenue	10.43	29.02
General Office Waste	kg	26,832.00	N/A
Total Non-hazardous Waste	kg	27,533.66	N/A
Total Non-hazardous Waste Intensity	kg/million revenue	409.39	N/A

A2. Use of Resources

The Group recognises its responsibility to take the lead in using finite resources efficiently and in fulfilling its corporate social responsibility by adopting additional eco-friendly practices that strengthen overall sustainability performance. To this end, the Group has established a Green Office Policy to drive energy conservation and promote a more sustainable working environment.

Energy Management

The Group's major energy consumption is the use of electricity in its office premises. In order to reduce energy consumption, the Group has launched a wide variety of green measures as follows:

1) Lighting

- T5 energy-efficient lighting tubes have been installed at offices;
- Staff is encouraged to switch off lighting while they are duty-off;
- Partial lighting to be switched off provided that sufficient sunlight is available indoors; and
- "Light-off" during lunch hour is highly recommended.

2) Office equipment

- Computers and other electronic equipment to be powered off while they are not in use; and
- Security personnel conduct nightly patrols to ensure that all unused equipment is properly switched off.

Apart from the measures above, the Group has been participating in the "Earth Hour" campaign organized by the World Wide Fund for Nature for the last few years, switching off non-essential lights for one hour to demonstrate collective support for climate action and the responsible use of natural resources.

The Group's energy consumption intensity has decreased when compared to that of the previous year, primarily due to the Group's Causeway Bay office being closed for 8 months during the year as part of our efforts to optimise space utilisation and streamline operations. The Group has previously set a target to reduce its energy consumption intensity in 2025, when compared to 2021. The target was not met due to declined revenue, resulting in a lower base for intensity calculation.

In accordance with the aforementioned transition plan, the Group has set a new short-term target to reduce its energy consumption intensity by 2% by 2030, compared to the baseline year of 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Summary of energy consumption performance:

Types of Energy Consumption	Unit	2025	2024
Direct Energy Consumption			
– Petrol	kWh	43,078.38	24,615.56
Indirect Energy Consumption			
– Electricity	kWh	223,262.00	252,692.00
Total Energy Consumption	kWh	266,340.38	277,307.56
Total Energy Consumption Intensity	kWh/million revenue	3,960.16	5,462.25

Water Management

The Group does not consume significant amounts of water through our business activities. During the Reporting Period, our office in Causeway Bay consumed 6 m³ of water (2024: 15 m³). Water usage in our other offices is included in the management fee as water supply facilities are provided and managed by property managers on our rental premises, therefore no meter reading is available. Water consumption intensity is not considered as an applicable performance indicator due to partial availability of data. The Group targets to promote water conservation in all of our operating locations.

Although the water consumption is considered minimal, we encourage saving by driving behavioural changes in the workplace. Green messages are posted in pantries and washrooms as reminders for using water efficiently.

Use of Packaging Material

Packaging material is not consumed during our operations, hence the related disclosure is not applicable.

A3. The Environment and Natural Resources

The Group is committed to minimising negative environmental impacts occasioned by the Group's business operations. Despite that the business activities of the Group do not significantly impact the environment and natural resources, we continue to be vigilant to the potential environmental impacts arising from its business operations.

Working Environment

The Group is committed to providing employees with a comfortable and green working environment to increase work efficiency. We strive to maintain a hygienic and neat environment in the workplace. The Group signed the Hong Kong General Chamber of Commerce's Clean Air Charter to reduce emissions and create cleaner air. We acted on the Chamber's 7-7-7 Care-for-Air Guidelines for the public and called on our staff to take practical steps to contribute to improving air quality at home, at work, and while travelling. Besides, the Group engaged in many different governmental environmental protection campaigns, including Green Office Education, Green Day, Biz Green Dress Day, Reuse and Recycle Program and Action Blue Sky.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B. SOCIAL

As a Total Caring Organisation, we are committed to fostering a safe, inclusive, and supportive environment where every individual feels valued, respected, and empowered to thrive. Our approach goes beyond meeting basic responsibilities; it reflects a deep belief that the wellbeing, growth, and dignity of our employees, customers, and communities are essential to our long-term success. Through thoughtful policies, continuous engagement, and a culture grounded in empathy and respect, we strive to create meaningful impact and nurture a workplace where people can flourish.

B1. Employment

During the Reporting Period, the Group was not aware of any material non-compliance with employment-related laws and regulations that would have a significant impact on the Group. The said laws and regulations include but are not limited to the Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong), the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), the Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), the Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong), and the Labour Contract Law of the People's Republic of China.

As at 31 December 2025, the Group had a total of 104 employees. Total workforce by gender, age group, geographical region and employment type is as follows:

	2025	2024
Total Number of Employees	104	106
By Gender		
Male	61	58
Female	43	48
By Age Group		
Below 30 years old	19	21
30-50 years old	69	61
Over 50 years old	16	24
By Geographical Region		
Hong Kong	66	70
China	38	36
By Employment Type		
Full-time	96	100
Part-time	3	2
Temporary contract	5	4

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Recruitment, Promotion and Dismissal

The Group has set out the Staff Recruitment Policy for our Human Resources Department to ensure that appropriate and standardised recruitment process is maintained. The policy will be reviewed regularly, and modified as required, to reflect changes in the Group's development, best practice in recruitment process and compliance with the relevant legislation.

The Group has implemented a structured performance management system in which regular performance appraisals provide a two-way communication platform to strengthen employee relationships. Through timely coaching and counselling, supervisors offer constructive feedback on individual performance and identify training and development needs to support continuous improvement and career progression. The relevant procedures are detailed in the Employee Handbook. Based on the appraisal outcomes, the Group reviews and adjusts remuneration in accordance with our transparent incentive framework.

The termination of employment contract is set out in the Employee Handbook and governed by internal policies to ensure all dismissal comply with relevant laws and regulations in Hong Kong and China. The Group strictly prohibits any kinds of unfair or illegitimate dismissals.

During the Reporting Period, the Group recorded a turnover rate of approximately 22.86%. The table below shows the employee turnover rate by gender, age group and geographical region:

	2025	2024
	Turnover rate (%)	Turnover rate (%)
Gender⁶		
Male	20.17	25.21
Female	26.37	26.19
Age group⁶		
Below 30 years old	35.00	26.67
30-50 years old	16.92	28.32
Over 50 years old	30.00	17.78
Geographical region⁶		
Hong Kong	32.35	25.35
China	5.41	26.23

Note:

6. Turnover rate: Employees in the specified category leaving employment divided by the average number of employees in the specified category during the Reporting Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Remuneration and Benefits

We fully understand that our success lies in the quality of service we provide to our customers and therefore our ability to attract, retain and motivate quality employees. The Employee Handbook is formulated to stipulate general practices and policies related to employment, compensation and benefits. To stay competitive, our base salaries are within industry norms, contributing to our ability to attract and retain highly skilled and motivated staff.

To attract and retain talented people, the Group offers fair and competitive remuneration and benefits. Our remuneration framework is benchmarked against market standards to ensure our ability to motivate and reward our talent pool. We also maintain a comprehensive, people-oriented leave system that provides employees with a wide range of benefits, including annual leave, birthday leave, marriage leave, maternity leave, compassionate leave, and paternity leave.

The Group has also introduced a number of employee-friendly benefits, such as marriage gift coupons, red packets for new-born babies, and purchase and financial trading discounts for staff. In recognition of long-serving employees who have contributed to the Group over the years, we present long service awards as a gesture of appreciation.

Diversity and Equal Opportunities

The Group is committed to fostering, maintaining, and supporting a culture of equality and diversity in employment, irrespective of age, race, colour, nationality, religious belief, disability, sexual orientation, political opinion, or any other status protected under applicable laws and regulations. We believe that diversity enriches our workplace by creating a more rewarding, inclusive, and supportive environment for all employees.

No individual shall be subjected to discrimination in recruitment, selection, employment, compensation, transfer, promotion, training, or development. Qualified candidates are appointed based on their education, experience, and capabilities, ensuring that all employment decisions are made fairly and without bias.

Work-life Balance

The Group is committed to helping employees maintain a healthy work-life balance, recognising that this supports both individual health and sustained performance. To encourage a balanced lifestyle, we organise a variety of activities under three themes – wellness, happiness, and vivacity. The Group also promotes family-friendly employment practices, including family leave benefits and employee support schemes. In addition, we regularly arrange after-work activities to enhance employees' wellbeing and strengthen their relationships with colleagues.

With our family-oriented practices, we have been named a "Family-Friendly Employer" under the scheme by the Home Affairs Bureau and the Family Council. We have also been awarded a Certificate of Appreciation for being a breastfeeding-friendly workplace by the UNICEF.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B2. Health and Safety

Ensuring the health and safety of our employees is an integral part of the Group's operations. We are committed to maintaining a safe, hygienic, and productive workplace by minimising the risk of accidents, injuries, and exposure to health hazards. To support this commitment, we ensure that all employees are competent in their roles and receive adequate training to comply with applicable local health and safety legislation and requirements.

The Group places paramount importance on providing a safe working environment, supported by measures to address natural disasters, fire safety, disease prevention, and accident response. We encourage employees to view health and safety as a shared responsibility and an essential part of their daily work practices. Our health and safety procedures are reviewed and updated regularly to ensure they remain risk-focused, clearly define responsibilities, and reflect evolving operational needs.

During the Reporting Period, the Group was not aware of any material non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group including but not limited to the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), and Law of the People's Republic of China on the Prevention and Control of Occupational Diseases.

During the Reporting Period, there were no reported cases of work-related fatalities and no lost days due to work injury. The Group has achieved zero work-related fatalities in the past three years.

Occupational Health and Safety

The Group maintains comprehensive occupational health and safety records to ensure a healthy and safe working environment for all employees. Preventive measures are implemented through the use of appropriate office equipment and periodic workplace risk assessments to enhance overall safety. We also provide employees and their families with comprehensive medical insurance coverage, including clinical, hospital, and dental benefits. In addition, regular vaccination programmes are offered to help reduce the risk of infectious diseases and support the long-term wellbeing of our workforce.

B3. Development and Training

The Group is committed to ensuring that our people are supported to reach their full potential. To cultivate a skilled workforce ready for future challenges, we have established comprehensive training policies and deliver a wide range of development programmes tailored to different roles and career stages. Management training workshops are designed for employees at the management level and focus on strengthening communication skills, building resilience in the face of challenges, and fostering stronger team cohesion. These initiatives are designed to strengthen professional competencies, nurture emerging talent, and enhance overall organisational productivity and competitiveness. By investing in continuous learning, we aim to empower employees to grow with the Group and contribute meaningfully to our long-term success.

During the Reporting Period, the Group provided a broad range of training programmes covering customer service, product knowledge, operational and selling techniques, career development, risk and compliance, graduate development, Continuous Professional Training (CPT) for professional qualifications, and preparation for licensing examinations. To strengthen frontline performance, we also offer ongoing language enhancement programmes to improve employees' communication proficiency, alongside sales culture training designed to build competitiveness and foster team spirit across both sales and support teams. In addition, the Group arranges for relevant staff who are licensed under the Securities and Futures Ordinance ("SFO") to attend the requisite training courses to fulfil the continuous professional training requirements prescribed by the SFO.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group has achieved a total training hour of 4,330 hours during the Reporting Period. The table below shows the employee training data by gender and employee category:

	Percentage of Employees Trained ⁷ (%)		Average Training Hours Per Employee ⁸ (hours)	
	2025	2024	2025	2024
Gender				
Male	95.08	100.00	47.52	47.31
Female	93.02	95.83	33.28	33.79
Employee Category				
Senior Management	100.00	87.50	40.00	44.75
Middle Management	88.89	90.48	36.33	47.29
General ⁹	94.87	101.309	43.03	39.16

Notes:

- Percentage of employees trained: Number of employees in the specified category who took part in training divided by number of employees in the specified category at the end of the Reporting Period.
- Average training hours per employee: Total training hours of employees in the specified category divided by number of employees in the specified category at the end of the Reporting Period.
- The data included employees who received training but left during the Reporting Period.

B4. Labour Standards

Prevention of Child and Forced Labour

The Group prohibits the recruitment of child and forced labour as prescribed by laws and regulations. The Group strictly complies with local laws and shall not provide job opportunities to those who are under the legal working age of respective jurisdictions.

To prevent the illegal employment of child labour or underage workers, the Group's Human Resources and Administration Department is responsible for verifying personal information, including identification documents, during the recruitment process. Any suspected violation is handled appropriately based on the circumstances.

The Group strictly prohibits the use of forced labour; no employee shall be compelled to work against their will, subjected to intimidation, or exposed to any form of corporal punishment or coercion. Overtime compensation procedures are clearly outlined in the Employee Handbook, under which eligible employees are granted compensation leave when required to work beyond normal hours.

During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations, that would have a significant impact on the Group including but not limited to the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong), the Employment Ordinance of Hong Kong (Chapter 57 of the Laws of Hong Kong), and Law of the People's Republic of China on the Protection of Minors.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B5. Supply Chain Management

The Group is committed to creating a sustainable relationship with our suppliers and consultants through operating in an open and fair manner. Our major suppliers mainly consist of hardware and software providers. During the Reporting Period, the Group has engaged 14 major suppliers, all of them are located in Hong Kong.

To ensure that our suppliers meet our expectations for quality, environmental responsibility, and social standards, the Group has established Purchasing Control and Supplier Assessment Procedures. These procedures govern the evaluation, approval, and, where necessary, disqualification of suppliers and subcontractors. Before any procurement decision is made, we conduct assessments of potential suppliers and consultants to identify and minimise environmental or social risks. We also maintain an approved supplier and consultant list, and any party that fails to meet the agreed standards may be suspended or removed from this list.

Green Procurement

To advance our sustainability commitments, our Green Supply Chain initiative applies rigorous environmental, social, and ethical criteria to all suppliers engaged in our business. We set high expectations for our partners and prioritise those who meet the standards established by the Group. Sustainability considerations are embedded into our sourcing and outsourcing practices, requiring suppliers to comply with baseline requirements that support responsible operations. For example, all suppliers are expected to adhere to the following fundamental principles:

- Operating as an equal opportunity employer, recognising the right to collective bargaining, minimum wages and benefits;
- Maintaining probity and accountability standards;
- Minimising discrimination against small and medium-sized enterprises or local vendors;
- Providing a healthy and safe working environment, not using any forced or child labour, and refraining from harassment or abuse of employees; and
- Supporting sustainable development, acting responsibly with regard to the environment, observing environmental criteria to conserve resources, minimising the negative environmental effects of the production, application and disposal of products, and reducing the use of hazardous materials as much as possible.

B6. Product Responsibility

With care in the heart of our business, our mission is to ensure every customer receives a meaningful and reliable experience when using our services. We recognise that professional expertise is essential to delivering consistent service quality, and we place client satisfaction at the heart of all our work. This commitment shapes the way each business division operates and informs the standards we uphold. By emphasising transparency and providing thoughtful, high-quality guidance, we aim to strengthen trust, enhance the customer experience, and build long-term loyalty.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations that would have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress. The said laws and regulations include but are not limited to the Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), and Law of the People's Republic of China on the Protection of Consumer Rights and Interests.

Given the Group's business nature, the Group was not involved in the sale of products, therefore disclosure on product recall procedures and number of products recalled are not applicable.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Customer Services

The Group is committed to delivering the highest quality of service to its customers. We strive to tailor our solutions to the unique needs of each client, with the aim of creating sustainable value and fostering long-term relationships. In our marketing and communications, we ensure that information is clear, accurate, and easy to understand, enabling investors to make well-informed decisions. Our employees are dedicated to offering professional guidance that helps clients understand the characteristics, functions, and risks associated with financial products.

We also maintain an open and constructive approach to customer feedback and complaints, viewing them as valuable opportunities to enhance our services. Procedures for managing complaints are set out in our Complaint and Suggestion Handling Policy, which provides clear guidance for our employees. When a concern is raised, we act promptly to investigate the issue, engage with the client, and assign the appropriate personnel to address the matter. All complaints are handled in accordance with our internal procedures and are reviewed during monthly compliance meetings to ensure continuous improvement.

During the Reporting Period, the Group received 3 customer complaints (2024: nil) relating to service follow-up, account matters, and account operational issues. All of these complaints are handled by designated personnel in a professional and timely manner.

Safeguarding Customer Assets

Certain subsidiaries of the Group are licensed and regulated under the Securities and Futures Commission. As a custodian of customers' assets, we implement the necessary controls to properly handle and safeguard customers' assets according to relevant laws and regulations.

The Group maintains segregated accounts to safeguard customers' assets, and transactions are executed only with the customer's consent or when required to fulfil obligations under agreed contracts. Comprehensive audit trails are kept to support the investigation of any suspected irregularities. Regular compliance reviews and internal audits are carried out to identify potential non-compliance with regulatory requirements. Any irregularities detected are promptly escalated to management and, where appropriate, reported to the relevant authorities.

Handling of Personal Data

The Group strictly adheres to regulatory requirements on data privacy, through fulfilling high security and confidentiality of personal data privacy protection. We are committed to maintaining and protecting personal data.

The Group has established internal policies to govern the collection, use, and handling of personal data received from data subjects. In line with our data protection principles, we publish a Privacy Policy Statement to inform the public of our general practices regarding the collection, retention, and use of personal information. We have also implemented a Cyber Security Policy that outlines the technical and organisational measures in place to safeguard information and protect it from unauthorised access or misuse.

In addition, a Personal Information Collection Statement is provided whenever personally identifiable information is collected, ensuring that data subjects are informed of the purpose of collection and the ways in which their data may be used. The Group does not use or disclose personal data for direct marketing unless written consent has been obtained from the data subject. Robust security systems and controls are maintained to prevent unauthorised access, processing, or disclosure of personal information.

Protection of Intellectual Property Rights

Policies and measures regarding the protection of intellectual property rights are in place. For any infringement of the Group's intellectual property rights, the Group will urge infringers to cease such action. The Group shall take further action should infringement continue.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

B7. Anti-corruption

The Group strives to promote and maintain the highest standards of honesty, integrity and fairness. All of our staff must ensure that the Group's reputation is not tarnished by dishonesty, disloyalty or corruption. Policies on the aforementioned matters are clearly stated in the Employee Handbook.

During the Reporting Period, the Group was not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and Anti-Corruption Law of the People's Republic of China that would have a significant impact on the Group. During the Reporting Period, there were no concluded legal cases regarding any forms of corrupt practices fraud brought against the Group or its employees.

Whistle-blowing Channels

The Group maintains a whistle-blowing policy that encourages employees to report suspected misconduct confidentially and without fear of retaliation. Clear procedures are in place for employees to raise concerns directly with the Compliance Department, which will assess each case and determine whether an investigation is warranted. Where necessary, the Compliance Department coordinates with relevant departments to conduct investigations, and recommendations for improvement are communicated to the respective management for implementation. Audit procedures, investigation findings, and subsequent follow-up actions are reported to the Audit Committee on an annual basis.

Anti-corruption Training

Training related to anti-corruption are rendered to our management and employees to boost their awareness on the prevention of any kind of unethical behaviour such as bribery, extortion, fraud and money laundering. During the Reporting Period, Directors and senior management have attended anti-corruption and ethics legacy training totalling 80 hours.

B8. Community Investment

Community Engagement

Caring for the communities and people we serve is deeply embedded in our people-oriented culture, which guides both our business decisions and daily operations. The Group and our employees are committed to working hand-in-hand with local communities through a wide range of initiatives, from supporting job creation to focusing on and protecting vulnerable groups in society. Through these efforts, we strive to create meaningful, lasting impact and contribute to the wellbeing of the communities around us.

In March 2025, we made a cash sponsorship of HK\$32,000 to sponsor employee participation in the Pok Oi Cycle for Millions 2025. This is one of Hong Kong's largest annual charity cycling events, organised by Pok Oi Hospital. The event raised funds for Pok Oi Hospital's community services while promoting healthy living, environmental awareness, and cycling safety.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

THE ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED – PART C “COMPLY OR EXPLAIN” PROVISIONS

Indicators	Description	Section/Declaration
A. Environmental		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	A1. Emissions
A1.1	The types of emissions and respective emissions data.	A1. Emissions
A1.2	Replaced by Climate-related Disclosures	
A1.3	Total hazardous waste produced (in tonnes) and intensity.	A1. Emissions (Not applicable – Explained)
A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	A1. Emissions
A1.5	Description of emission target(s) set and steps taken to achieve them.	A1. Emissions
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	A1. Emissions
A2. Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	A2. Use of Resources
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	A2. Use of Resources
A2.2	Water consumption in total and intensity.	A2. Use of Resources
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	A2. Use of Resources
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	A2. Use of Resources
A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	A2. Use of Resources (Not applicable – Explained)
A3. The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer’s significant impact on the environment and natural resources.	A3. The Environment and Natural Resources
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	A3. The Environment and Natural Resources
A4. Climate Change		
General Disclosure	Replaced by Climate-related Disclosures	
A4.1	Replaced by Climate-related Disclosures	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Indicators	Description	Section/Declaration
B. Social		
B1. Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	B1. Employment
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	B1. Employment
B1.2	Employee turnover rate by gender, age group and geographical region.	B1. Employment
B2. Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	B2. Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	B2. Health and Safety
B2.2	Lost days due to work injury.	B2. Health and Safety
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	B2. Health and Safety
B3. Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	B3. Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	B3. Development and Training
B3.2	The average training hours completed per employee by gender and employee category.	B3. Development and Training
B4. Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	B4. Labour Standards
B4.1	Description of measures to review employment practices to avoid child and forced labour.	B4. Labour Standards
B4.2	Description of steps taken to eliminate such practices when discovered.	B4. Labour Standards
B5. Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	B5. Supply Chain Management
B5.1	Number of suppliers by geographical region.	B5. Supply Chain Management
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	B5. Supply Chain Management
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	B5. Supply Chain Management
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	B5. Supply Chain Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Indicators	Description	Section/Declaration
B6. Product Responsibility		
General	Information on:	B6. Product Responsibility
Disclosure	(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	B6. Product Responsibility
B6.2	Number of products- and service-related complaints received and how they are dealt with.	B6. Product Responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights.	B6. Product Responsibility
B6.4	Description of quality assurance process and recall procedures.	B6. Product Responsibility (Not applicable – Explained)
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	B6. Product Responsibility
B7. Anti-corruption		
General	Information on:	B7. Anti-corruption
Disclosure	(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	B7. Anti-corruption
B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	B7. Anti-corruption
B7.3	Description of anti-corruption training provided to directors and staff.	B7. Anti-corruption
B8. Community Investment		
General	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	B8. Community Investment
Disclosure		
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	B8. Community Investment
B8.2	Resources contributed (e.g. money or time) to the focus area.	B8. Community Investment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

THE ESG REPORTING CODE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED – PART D CLIMATE-RELATED DISCLOSURES

Climate-related

Disclosures	Description	Section/Declaration
Governance	Governance	Governance Structure and Statement of the Board; Governance
Strategy	Climate-related Risks and Opportunities Business Model and Value Chain Strategy and Decision-making	Strategy – Managing Climate-related Risks and Opportunities Strategy – Effects on Business Model and Value Chain Strategy – Our Adaptation and Mitigation Plans; Our Long-term Transition Plan
	Financial Position, Financial Performance and Cash Flows	Strategy – Current and Anticipated Financial Effect
	Climate Resilience	Strategy – Climate Resilience
Risk Management	Risk Management	Risk Management
Metrics and Targets	GHG Emissions	A1. Emissions
	Cross-industry Metrics	The Group has applied implementation relief.
	<ul style="list-style-type: none"> • Climate-related Physical Risks • Climate-related Transition Risks • Climate-related Opportunities 	
	Cross-industry Metrics	Strategy – Our Adaptation and Mitigation Plans
	<ul style="list-style-type: none"> • Capital Deployment 	
	Internal Carbon Prices	Strategy – Our Adaptation and Mitigation Plans
	Remuneration	Governance
	Industry-based Metrics	The Group has not applied the industry-based metrics under the Industry-based Guidance for IFRS S2.
	Climate-related Targets	Strategy – Our Long-term Transition Plan

DIRECTORS' REPORT

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Group are (a) provision of online and traditional brokerage of securities, futures and options as well as general and life insurance, mutual funds and mandatory provident fund products, (b) proprietary trading of debt and equity securities and derivatives, (c) provision of margin financing and money lending services, and (d) provision of investment management services.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on page 75 of this annual report.

The Board does not recommend the payment of any final dividend for the year ended 31 December 2025 (2024: nil).

BUSINESS REVIEW

A review of the business of the Group during the year, a discussion on the Group's future business development and possible risks and uncertainties that the Group may be facing are provided in the sections of "Financial Review" and "Management Discussion and Analysis" of this annual report, and in note 39 to the consolidated financial statements.

The financial risk management objectives and policies of the Group are shown in note 39 to the consolidated financial statements.

An analysis of the Group's performance during the year using financial key performance indicators is provided in the section of "Financial Review" of this annual report.

Save as disclosed in this report, there is no important event affecting the Group that has occurred since the end of the financial year ended 31 December 2025.

RELATIONSHIPS WITH STAKEHOLDERS

We fully understand that our business is built on the long-term well-being of the "people" in our service areas at large.

Throughout the course of our business development, we care about the needs of our key stakeholders, inter alia, our shareholders, our employees, our customers, our suppliers and our community. As such, we strive to become a "Total Caring Organisation" to embrace the all-round needs of our key stakeholders.

The Group upholds the "People-oriented" principle as our core belief and this forms the essence of our corporate culture. We respect the various needs of these "people" as our stakeholders and we strive to balance the different spectrum of interests for the development of a better future.

Our five core values namely "People", "Customers", "Quality", "Teamwork" and "Change" serve as the guiding principles for the whole team to move ahead.

We are dedicated to creating an enjoyable work environment to highly engage our employees so as to maximise their potential, meeting the needs of our customers with quality products and innovative services and enhancing cooperation with our suppliers so as to provide high-quality products and services to our customers so as to ensure our sustainable development.

DIRECTORS' REPORT

Shareholders

The Company is committed to communicating with our shareholders and the financial community proactively, transparently and effectively, and thereby ensuring consistent and timely dissemination of information to shareholders and potential investors.

We have established effective channels of communication with our shareholders to ensure that the corporate information is readily accessible. Corporate communications materials with regard to regulatory disclosures and notices of the Company, such as financial reports, results announcements, corporate announcements and circulars will be distributed according to the principles of continuous disclosure, and complies with the legal and regulatory requirement applicable to the Company. Corporate communications and other general information concerning the Company and its businesses such as press releases will be posted on the corporate website (www.cfsg.com.hk) and distributed to the media as soon as practicable. The Company adheres to its corporate policy of not disclosing unpublished or potentially price-sensitive information such as sales and profit forecasts.

Employees

Our staff is regarded as the most important asset of the Group. We offer a competitive remuneration package and great opportunities for career advancement based on performance-linked appraisal system. Our passion in fostering a learning culture is recognised. We have been honoured as "Manpower Developer" at Employees Retraining Board ("ERB") Manpower Developer Award Scheme in recognition of the Group's efforts and commitment to training and development. We also provide our staff with regular trainings, including internal trainings and refresher courses offered by professional organisations, so as to keep them abreast of the latest development in the market, industry and various businesses.

The Group is committed to the well-being of our employees as we believe that a healthy body and soul will have a positive impact on people's professional and personal lives.

Along with initiatives designed to improve the health, safety and well-being of our employees, the Group also offers recreational and educational activities in different topics such as professional growth, work-life balance, health and safety, rewards and recognitions, employees' families, amazing occasions to help staff to pursue their interests, explore their full potential and recharge after work. We are the "Family-Friendly Employer" under the scheme by the Home Affairs Bureau and the Family Council in recognition of our family-friendly employment policies and practices which have positive impact to the Company and employees' family life.

In recognition of our commitment and effort in developing employee-orientated human resources management and promoting Family-friendly Employment Practices, we have been recognised as a Signatory of Good Employer Charter under the scheme by the Labour Department.

We sincerely care about our employees' retirement needs and have gone the extra mile to provide additional retirement benefits for them. We have been awarded the accolade of "Good MPF Employer" with e-Contribution Award and MPF Support Award by the Mandatory Provident Fund Schemes Authority (MPFA).

The Group was honoured by UNICEF with the Certificate of Appreciation for being a Breastfeeding Friendly Workplace, in recognition of its support for mothers to continue breastfeeding and provide optimal nutrition to the next generation upon their return to work.

Customers

We value the customers' interests as the first priority. It is our mission to provide customers with a meaningful experience when utilising our services.

We value the feedback from customers and always try to understand their thoughts through Internet, daily communication, customers services and after-sale services etc. In addition, we also set up website, e-portal, email, Facebook and customer service hotline to respond to the feedback of customers.

We have been recognised as "Hong Kong Top Service Brand" in Hong Kong Top Brand Mark Scheme by Hong Kong Brand Development Council.

DIRECTORS' REPORT

Quantphemes has been awarded the "Outstanding Artificial Intelligence Algorithm Trading Platform" award at the "FinTech Awards 2024" organised by ET NET. This award not only recognises the exceptional performance of the Quantphemes trading platform but also acknowledges the team's outstanding achievements in the field of financial technology, demonstrating its solid strength and industry-leading position.

Mr Jeffrey Kwan, the Deputy CEO and Executive Director of CFSG, has been awarded the "2024 Forbes China New Generation Innovator" award by Forbes China in recognition of his outstanding contributions and achievements in driving financial innovation and promoting industry development. This honour not only highlights his leadership and innovative capabilities in the financial sector but also acknowledges the exceptional performance of the CFSG team, reflecting the excellent results of their collaborative efforts.

Suppliers

We firmly believe that our suppliers are equally important in building high-quality businesses. We proactively communicate with our suppliers to ensure they are committed to delivering high-quality and sustainable products and services.

Community

The Group is devoted to supporting the community in which we operate through donation, education, volunteering and encourage others to give.

Over the past years, we show our care about the community with unsparing support for wide-ranging community services and charities. We have also been encouraging our employees and their family members to take part in voluntary services after work and serve the disadvantaged in the community.

We have been awarded the accolade of "15 Years Plus Caring Company" by the Hong Kong Council of Social Service (HKCSS) in recognition of our achievements in "Caring for the Community", "Caring for the Employee" and "Caring for the Environment". It serves as a recognition for our contribution to community services and commitment to employee engagement.

The Group was honoured by UNICEF with the Certificate of Appreciation for being an Effective Outreach Partner of Say Yes To Breastfeeding Campaign 2025/26, in recognition of the Group's support in promoting breastfeeding.

ENVIRONMENTAL POLICY AND PERFORMANCE

As a total caring organisation, the Group is dedicated to keeping the environmental impact of our operations to a minimum, balancing business needs with conservation.

The Group adopted "Green Office Policy" with various measures regarding minimisation of energy and paper consumption and recycling being implemented. We also execute different types of "Green Office Campaign" in our office to enhance staff awareness and participation for environmental protection.

Over the years, the Group has participated in various environmental protection programmes and campaigns organised by reputable institutions and has been recognised with awards. In year 2025, we received Wastewi\$e Certificate (Good Level) from Environmental Campaign Committee.

Details of the environmental (including climate-related) policies and performances are set out in the Environmental, Social and Governance Report on pages 32 to 58.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations, in particular, those have significant impact on the Group. During the year, the Group has materially complied with the relevant laws and regulations on corporate level as well as those that have a significant impact on the operations of the Group.

DIRECTORS' REPORT

FIVE-YEAR FINANCIAL SUMMARY

A summary of the audited results and the assets and liabilities of the Group for the last five financial years ended 31 December 2025 is set out on page 158 of this annual report.

PROPERTY AND EQUIPMENT

Details of movements during the year in the property and equipment of the Group are set out in note 19 to the consolidated financial statements.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 44 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 37 to the consolidated financial statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Group during the year are set out in the section of "Consolidated Statement of Changes in Equity" in the consolidated financial statements on page 78 of this annual report.

Details of movements in the reserves of the Company during the year are set out in note 47 to the consolidated financial statements.

As at 31 December 2025, the Company has no available reserves for distribution to Shareholders, calculated in accordance with the Companies Act 1981 of Bermuda.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

RELATED PARTY TRANSACTIONS

Details of the related party transactions entered into by the Group are set out in notes 34 and 43 to the consolidated financial statements and those related party transactions which are connected transactions or continuing connected transactions exempted from announcement, reporting, annual review and shareholders' approval requirement under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in relation to the related party transactions of the Group during the year.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, the Group's turnover attributable to the five largest customers accounted for less than 30% of the Group's total turnover.

In the year under review, the Group's purchases attributable to the five largest suppliers accounted for less than 30% of the Group's total purchases.

DIRECTORS' REPORT

DIRECTORS

The Directors of the Company during the year and up to the publication date of this annual report were as follows:

Executive Directors:

Kwan Pak Hoo Bankee
Kwan Teng Hin Jeffrey
Cheung Tsz Yui Morton
Wong Sze Kai Angela
Lai Wai Kwong Daryl

Independent Non-executive Directors:

Cheng Shu Shing Raymond
Lo Ming Chi Charles (*resigned on 1 September 2025*)
Chan Ho Wah Terence
Luke Wing Sheung Suzanne (*appointed on 1 September 2025*)

The following Directors shall retire and, being eligible, offer themselves for re-election at the forthcoming AGM:

- (i) Ms Wong Sze Kai Angela, being ED, shall retire at least once in every 3 years at the AGM in accordance with the Company's bye-laws and corporate governance code;
- (ii) Mr Cheng Shu Shing Raymond and Dr Chan Ho Wah Terence, all being INEDs, shall retire at the AGM in each year in accordance with their terms of office of directorship; and
- (iii) Ms Luke Wing Sheung Suzanne, being newly appointed INED, shall retire at the AGM in accordance with the Company's bye-laws.

DISCLOSURE OF INFORMATION OF DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Dr Chan Ho Wah Terence has been appointed as independent non-executive director, chairman of remuneration and appraisal committee and a member of audit committee and nomination committee of Kunming Dianchi Water Treatment Co., Ltd (stock code: 3768), a company listed on the Main Board of the Stock Exchange, since 26 September 2025. He also has been appointed as independent non-executive director, member of the audit, nominating and remuneration committees of Jadason Enterprises Ltd (Stock Code: J03), a company listed on the Singapore Exchange, on 11 March 2026.

Save as disclosed above, there are no other changes to the Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming AGM has a service contract which is not determinable by the Company within one year without payment of compensation, other than statutory obligation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed under the headings of "Related Party Transactions" in this section above or are connected transactions exempted from announcement, reporting, annual review and shareholders' approval requirement under Chapter 14A of the Listing Rules, no transaction, arrangement, or contract of significance to which the Group was a party, and in which a Director of the Company had a material interest, subsisted at the end of the year or at any time during the year.

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2025, the interests or short positions of each Director and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were recorded in the register required to be kept under section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(A) The Company

Long positions in the Shares and underlying Shares of the Company

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares held under the Share Option Scheme	Total number of Shares held/ underlying Shares held under the Share Option Scheme	Approximately % of shareholding (Note 7)
Kwan Pak Hoo Bankee ("Dr Kwan")	Personal	28,224,000	4,000,000 ^(Note 1)	310,213,563	71.94
	Corporate	<u>277,989,563</u> ^(Note 2)			
Kwan Teng Hin Jeffrey	Personal	6,576,000	4,000,000 ^(Note 3)	10,576,000	2.45
Cheung Tsz Yui Morton	Personal	4,098,000	4,000,000 ^(Note 4)	8,098,000	1.87
Wong Sze Kai Angela	Personal	–	1,000,000 ^(Note 5)	1,000,000	0.23
Lai Wai Kwong Daryl	Personal	–	1,000,000 ^(Note 6)	1,000,000	0.23

Notes:

- The 4,000,000 underlying Shares represents the outstanding share options under the Share Option Scheme. Details of the share options granted to this director are set out below under "Share Option Scheme".
- The Shares were held by CIGL, a wholly-owned subsidiary of Praise Joy Limited (which was 100% beneficially owned by CASH (the holding company of the Company)). Pursuant to the SFO, Dr Kwan was interested in a total of 49.84% shareholding interest in CASH, details of which are disclosed in the heading of "Substantial Shareholders" below. Dr Kwan was deemed to be interested in all these Shares held by CIGL as a result of his interests in CASH.
- The 4,000,000 underlying Shares represents the outstanding share options under the Share Option Scheme. Details of the share options granted to this director are set out below under "Share Option Scheme".
- The 4,000,000 underlying Shares represents the outstanding share options under the Share Option Scheme. Details of the share options granted to this director are set out below under "Share Option Scheme".
- The 1,000,000 underlying Shares represents the outstanding share options under the Share Option Scheme. Details of the share options granted to this director are set out below under "Share Option Scheme".
- The 1,000,000 underlying Shares represents the outstanding share options under the Share Option Scheme. Details of the share options granted to this director are set out below under "Share Option Scheme".
- The percentage was calculated based on 431,174,779 Shares in issue as at 31 December 2025.

DIRECTORS' REPORT

(B) Associated corporation (within the meaning of Part XV of the SFO) – CASH

Long positions in the ordinary shares and underlying shares of CASH

Name of Director	Nature of interest	Number of shares held	Number of underlying shares held	Total number of shares/ underlying shares held	Approximately % of shareholding (Note 2)
Kwan Pak Hoo Bankee ("Dr Kwan")	Personal	622,501	–	622,501	
	Corporate ^(Note 1)	39,599,098	16,000,000	55,599,098	
		40,221,599	16,000,000	56,221,599	69.66

Notes:

1. The shares and the underlying shares were held by Cash Guardian Limited ("Cash Guardian") (a wholly-owned subsidiary of Hobart Assets Limited ("Hobart Assets"), which in turn was 100% beneficially owned by Dr Kwan. The underlying shares, represents 16,000,000 shares of CASH would be issued upon the full conversion of the convertible bonds. Pursuant to the SFO, Dr Kwan and Hobart Assets were deemed to be interested in such shares and underlying shares of CASH held by Cash Guardian.
2. The percentage was calculated based on 80,698,181 shares of CASH in issue as at 31 December 2025.

Save as disclosed above, as at 31 December 2025, none of the Directors or chief executive had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

SHARE OPTION SCHEME

The Share Option Scheme was adopted pursuant to an ordinary resolution passed at an annual general meeting of the Company held on 8 June 2018. The Share Option Scheme was adopted before the new Chapter 17 of the Listing Rules which came into effect on 1 January 2023. The Company will comply with the new Chapter 17 of the Listing Rules in accordance with the transitional arrangements for the Share Option Scheme. Particulars of the terms of the Share Option Scheme are set out in note 41 to the consolidated financial statements.

DIRECTORS' REPORT

Details of the movements in the share options to subscribe for the Shares granted under the Share Option Scheme during the year ended 31 December 2025 are set out below.

Name	Date of grant	Exercise Period	Exercise price per share (HK\$)	Notes	Number of options				
					As at 1 January 2025	Granted during the year	Exercised during the year	Lapsed/ cancelled during the year (Note 9)	As at 31 December 2025
Directors:									
Kwan Pak Hoo Bankee	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	4,000,000	-	-	4,000,000
Kwan Teng Hin Jeffrey	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	4,000,000	-	-	4,000,000
Cheung Tsz Yui Morton	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	4,000,000	-	-	4,000,000
Wong Sze Kai Angela	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	1,000,000	-	-	1,000,000
Lai Wai Kwong Daryl	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	1,000,000	-	-	1,000,000
Related Entity Participants: (Note 13)									
Kwan Iec Teng Janet (Note 14)	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	2,000,000	-	-	2,000,000
Tsang Hing Man Magdelene	14/07/2025	14/07/2025 – 13/07/2027	0.440	2	-	500,000	-	-	500,000
Cheung Suet Ping Ada	14/07/2025	14/07/2025 – 13/07/2027	0.440	2	-	500,000	-	-	500,000
Lau Chi Wo	14/07/2025	14/07/2025 – 13/07/2027	0.440	2	-	500,000	-	-	500,000
Chan Kwun Wa Louis	14/07/2025	14/07/2025 – 13/07/2027	0.440	2	-	500,000	-	-	500,000
Law Chiu Mei Carrie	14/07/2025	14/07/2025 – 13/07/2027	0.440	2	-	500,000	-	-	500,000
Others	29/07/2021	01/08/2021 – 31/07/2025	0.572	3,4,5	375,000	-	-	(375,000)	-
Employee Participants (Note 12)									
	29/07/2021	01/08/2021 – 31/07/2025	0.572	3,4,5	150,000	-	-	(150,000)	-
	14/07/2025	14/07/2025 – 13/07/2027	0.440	1	-	1,000,000	-	-	1,000,000
	14/07/2025	14/07/2025 – 13/07/2027	0.440	2	-	6,500,000	-	-	6,500,000
					525,000	26,000,000	-	(525,000)	26,000,000

Notes:

- The options are vested and exercisable on the first date of the exercise period. There is no performance target and vesting period attached to the options granted.
- The vesting period of the options shall be 12 months from the date of grant (both days inclusive). These options shall be vested on the day of fulfillment of the performance target (the "Performance Target") by the relevant grantees to be appraised and confirmed by the Board. The Performance Target is subject to (a) satisfaction of performance targets to be determined by the Board with reference to, including but not limited to, the budget achievement of the Group as a whole, the individual performance appraisal of the grantees; and other key performance indicators as determined by the Board; or (b) at the Board's sole discretion.
- The options are vested in 4 tranches as to 25% exercisable from 1 August 2021 to 31 July 2022, 25% exercisable from 1 August 2022 to 31 July 2023, 25% exercisable from 1 August 2023 to 31 July 2024 and 25% exercisable from 1 August 2024 to 31 July 2025 respectively.

DIRECTORS' REPORT

4. The options are subject to the achievement of agreed milestones/performance indicators and/or business budget plan for the relevant year during the option period as approved by the chairman of the Board and/or the Board determined at their sole discretion.
5. The options must be exercised within 1 month from the date on which the Board's approval of the vesting of the options.
6. The closing price immediately before the date on which the options were granted on 14 July 2025 was HK\$0.455 per Share.
7. The fair value of the options granted on 14 July 2025 was HK\$0.20 per Share at the date of grant.
8. No options was exercised or cancelled during the year ended 31 December 2025.
9. The lapsed options were due to expiry of the options in accordance with the terms of the share options.
10. None of the participants has been granted with options in excess of the 1% individual limit.
11. Details of the valuation of share options of the Company during the year ended 31 December 2025, including the accounting standard and policy adopted for the options, are set out in note 41 to the consolidated financial statements.
12. Employee Participants include directors and employees of the Company and its subsidiaries.
13. Related Entity Participants include directors and employees of holding companies, fellow subsidiaries or associated companies of the Company.
14. Ms Kwan Iec Teng Janet is a director of CASH, an associate of a substantial shareholder, daughter of Dr Kwan Pak Hoo Bankee and sister of Mr Kwan Teng Hin Jeffery.
15. The total number of options available for grant under the scheme mandate of the Share Option Scheme as at 1 January 2025 and 31 December 2025 were 26,117,477 and 117,477, respectively.
16. The total number of Shares available for issue under the Share Option Scheme as at the date of this annual report is 26,117,477, representing approximately 6.06% of the issued Shares as at the date of this annual report.
17. The total number of Shares that may be issued in respect of options granted under all shares scheme of the Company during the year ended 31 December 2025 divided by the weighted average number of Shares in issue for the year was about 6.03%.

SHARE AWARD SCHEME

The Company adopted the share award scheme (the "Share Award Scheme") on 1 December 2022. The Share Award Scheme, which is funded by the existing Shares of the Company, does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules. The total number of share awards available for grant under the scheme mandate of the Share Award Scheme as at 1 January 2025 and 31 December 2025 were 26,117,477 and 7,835,477 respectively.

Particulars of the terms of the Share Award Scheme are set out in note 42 to the consolidated financial statements.

During the year, a total of 18,282,000 awarded shares were granted and vested under the Share Award Scheme, out of which 6,294,000 awarded shares were granted and vested to the executive directors of the Company. As at 31 December 2025, the Company did not have any outstanding share awards under the Share Award Scheme and no trustee is holding any unvested shares under the Share Award Scheme.

DIRECTORS' REPORT

Details of movements of awarded shares of the Company during the year ended 31 December 2025 are as follows:

Name	Date of grant	Number of awarded shares			
		As at 1 January 2025	Granted during the year	Vested during the year	As at 31 December 2025
Directors:					
Kwan Pak Hoo Bankee	22/07/2025	–	2,100,000	(2,100,000)	–
Kwan Teng Hin Jeffrey	22/07/2025	–	2,100,000	(2,100,000)	–
Cheung Tsz Yui Morton	22/07/2025	–	2,094,000	(2,094,000)	–
The five highest paid individuals (other than Directors)	15/07/2025	–	3,996,000	(3,996,000)	–
Other grantees	15/07/2025	–	7,992,000	(7,992,000)	–
		–	18,282,000	(18,282,000)	–

Notes:

1. The closing price immediately before the date on which the awarded shares were granted on 15 July 2025 and 22 July 2025 was HK\$0.440 per Share and HK\$0.415 per Share, respectively.
2. The fair value of the awarded shares granted on 15 July 2025 and 22 July 2025 was HK\$0.375 per Share and HK\$0.395 per Share, respectively at the date of grant.
3. There is no exercise/purchase price payable by the grantees and no fee payable by the grantees for application or acceptance of the awarded shares.
4. The weighted average closing price of the Shares immediately before the awards were vested on 15 July 2025 and 22 July 2025 was HK\$0.440 per Share and HK\$0.415 per Share, respectively.
5. No awarded shares granted were lapsed or cancelled during the year ended 31 December 2025.
6. All of the grants made during the year ended 31 December 2025 were made without any performance targets and vesting period.
7. Details of the valuation of share awards of the Company during the year ended 31 December 2025, including the accounting standard and policy adopted for the Share Award Scheme, are set out in note 42 to the consolidated financial statements.

DIRECTORS' REPORT

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, so far as is known to the Directors and chief executive of the Company, the persons/companies (other than a Director or chief executive of the Company) who had, or were deemed or taken to have an interest or short positions in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company were as follows:

Name	Capacity	Number of Shares	Shareholding (%)
Hobart Assets Limited (Note)	Interest in a controlled corporation	277,989,563	64.47
Cash Guardian (Note)	Interest in a controlled corporation	277,989,563	64.47
CASH (Note)	Interest in a controlled corporation	277,989,563	64.47
Praise Joy Limited (Note)	Interest in a controlled corporation	277,989,563	64.47
CIGL (Note)	Beneficial owner	277,989,563	64.47

Note:

This refers to the same number of 277,989,563 Shares held by CIGL, a wholly-owned subsidiary of Praise Joy Limited (which was 100% beneficially owned by CASH (the holding company of the Company)). CASH was owned as to a total of approximately 49.84% by Dr Kwan, being approximately 49.07% by Cash Guardian (a wholly-owned subsidiary of Hobart Assets Limited, which in turn was 100% beneficially owned by Dr Kwan) and approximately 0.77% by Dr Kwan in his personal name. Pursuant to the SFO, Dr Kwan, Hobart Assets Limited and Cash Guardian were deemed to be interested in all the Shares held by CIGL through CASH. The above interest has already been disclosed as corporate interest of Dr Kwan in the section headed "Directors' interests in securities" above.

Save as disclosed above, as at 31 December 2025, the Directors and chief executive of the Company were not aware of any other parties or corporation (other than a Director or chief executive of the Company) who had, or were deemed or taken to have, any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO or as otherwise notified to the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year under review.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of its Shares in the hands of the public in accordance with the Listing Rules as at the latest practicable date prior to the issue of this annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2025.

EQUITY-LINKED AGREEMENTS

Save as the share option scheme and the share award scheme of the Company as disclosed in notes 41 and 42 respectively to the consolidated financial statements, no equity-linked agreements were entered into by the Company during the year ended 31 December 2025 or subsisted at the end of the year.

DIRECTORS' REPORT

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the Directors is currently in force and was in force throughout the financial year.

CONFIRMATION OF INDEPENDENCE

The Company has received a written confirmation in respect of independence from each of the INEDs in compliance with rule 3.13 of the Listing Rules, and the Company still considers that each of them to be independent.

AUDITOR

There have been no changes of auditor in the preceding three years.

The consolidated financial statements of the Company for the year were audited by Messrs. Deloitte Touche Tohmatsu. A resolution will be submitted to the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Dr Bankee P. Kwan, BBS, JP

Chairman & CEO

Hong Kong, 27 March 2026

INDEPENDENT AUDITOR'S REPORT

Deloitte.

德勤

TO THE SHAREHOLDERS OF CASH FINANCIAL SERVICES GROUP LIMITED

(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of CASH Financial Services Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 75 to 157, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the key audit matter

Valuation of financial assets at fair value through other comprehensive income ("FVTOCI") classified as level 3 under fair value hierarchy

We identified the valuation of financial assets at FVTOCI classified as level 3 under fair value hierarchy as a key audit matter due to the significance of the judgment and estimates made by the management and the subjectivity in determination of level 3 fair value given the lack of marketability and the significant unobservable inputs.

The total fair value of financial assets at FVTOCI classified as level 3 amounted to HK\$4,806,000 as at 31 December 2025 and the key sources of estimation uncertainty are disclosed in note 4 and the valuation technique and inputs used are disclosed in note 39 to the consolidated financial statements.

Our audit procedures for the valuation of financial assets at FVTOCI classified as level 3 under fair value hierarchy include:

- assessing the independence, competence, capabilities and objectivity of the professional valuer engaged by the Group and its experience in conducting similar valuation;
- evaluating the appropriateness of the valuation methodologies and assumptions based on the industry knowledge;
- evaluating the appropriateness and consistency of the valuation techniques used by the management;
- evaluating the rationale of management's judgment on the significant inputs;
- examining supporting documents and assessing the reasonableness of significant inputs; and
- performing sensitivity analysis with reference to available market information to evaluate the reasonableness of the range of valuation results and performing independent valuation together with our internal valuation specialist and comparing the valuation with the Group's valuation.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is LEE, Wai Kit Alex (practising certificate number: P08181).

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

27 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Revenue			
Fee and commission income	5	54,812	27,957
Interest income	6	12,443	22,811
Total revenue		67,255	50,768
Other income	8	3,435	2,368
Other gains (losses)	9	14,139	21,883
Salaries and related benefits	10	(58,924)	(45,535)
Commission expenses		(11,877)	(4,777)
Depreciation	19	(6,789)	(10,570)
Finance costs	13	(4,585)	(9,985)
Impairment losses under expected credit loss model, net of reversal	14	(284)	(381)
Other operating expenses	15	(40,643)	(35,314)
Loss before taxation		(38,273)	(31,543)
Income tax (expense) credit	16	(3,637)	1,814
Loss for the year		(41,910)	(29,729)
Other comprehensive (expense) income			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value loss on financial assets at fair value through other comprehensive income ("FVTOCI")		–	(4,072)
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		2,726	(591)
Other comprehensive income (expense) for the year		2,726	(4,663)
Total comprehensive expense for the year		(39,184)	(34,392)
(Loss) profit attributable to:			
Owners of the Company		(38,528)	(35,102)
Non-controlling interests		(3,382)	5,373
		(41,910)	(29,729)
Total comprehensive (expense) income for the year attributable to:			
Owners of the Company		(36,942)	(40,011)
Non-controlling interests		(2,242)	5,619
		(39,184)	(34,392)
Loss per share	17		
– Basic (HK cents)		(9.15)	(8.36)
– Diluted (HK cents)		(9.15)	(8.36)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property and equipment	19	3,817	10,294
Intangible assets	20	4,041	4,041
Club debentures	21	660	660
Other assets	22	4,159	4,280
Rental and utility deposits		951	1,137
Financial assets at fair value through other comprehensive income	23	4,806	4,806
Financial assets at fair value through profit or loss ("FVTPL")	29	4,518	4,592
		22,952	29,810
Current assets			
Accounts receivable	24	91,445	117,166
Contract assets	25	1,945	911
Loans receivable	26	12,298	7,686
Prepayments, deposits and other receivables	27	121,244	120,770
Financial assets at fair value through profit or loss	29	21,570	40,425
Fixed deposits with original maturity over three months	28(b)	437	423
Bank balances – trust and segregated accounts	28(a)	372,550	308,246
Bank balances (general accounts) and cash	28(a)	77,127	88,488
		698,616	684,115
Current liabilities			
Accounts payable	31	411,808	351,582
Accrued liabilities and other payables	32	24,050	23,607
Taxation payable		505	2,015
Bank borrowings	33	34,000	46,025
Amounts due to fellow subsidiaries	30	21,776	29,805
Provision for restoration		2,902	1,630
Financial liabilities arising from consolidated investment funds	45	–	1,515
Lease liabilities	36	1,077	5,991
		496,118	462,170
Net current assets		202,498	221,945
Total assets less current liabilities		225,450	251,755

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Non-current liabilities			
Loan from a related party	34	22,507	25,103
Deferred tax liabilities	35	14,630	9,297
Lease liabilities	36	45	285
		37,182	34,685
Net assets			
		188,268	217,070
Capital and reserves			
Share capital	37	17,247	17,247
Reserves		162,973	189,533
Equity attributable to owners of the Company		180,220	206,780
Non-controlling interests		8,048	10,290
Total equity			
		188,268	217,070

The consolidated financial statements on pages 75 to 157 were approved and authorised for issue by the Board of Directors on 27 March 2026 and are signed on its behalf by:

KWAN PAK HOO BANKEE
DIRECTOR

CHEUNG TSZ YUI MORTON
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

Attributable to equity holders of the Company

	Share capital	Shares held for share award scheme	Share award reserve	Share option reserve	Share premium	Other reserve	Contributed surplus	Investments revaluation reserve	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
						(note a)	(note b)						
At 1 January 2024	17,247	-	-	-	74,420	60,759	117,788	(13,795)	187	(5,410)	251,196	4,671	255,867
(Loss) profit for the year	-	-	-	-	-	-	-	-	-	(35,102)	(35,102)	5,373	(29,729)
Fair value loss on financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	(4,072)	-	-	(4,072)	-	(4,072)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	(837)	-	(837)	246	(591)
Other comprehensive (expense) income for the year	-	-	-	-	-	-	-	(4,072)	(837)	-	(4,909)	246	(4,663)
Total comprehensive (expense) income for the year	-	-	-	-	-	-	-	(4,072)	(837)	(35,102)	(40,011)	5,619	(34,392)
Transferred to accumulated losses (Note 23)	-	-	-	-	-	-	-	(1,342)	-	1,342	-	-	-
Purchase of shares held for share award scheme	-	(4,405)	-	-	-	-	-	-	-	-	(4,405)	-	(4,405)
At 31 December 2024	17,247	(4,405)	-	-	74,420	60,759	117,788	(19,209)	(650)	(39,170)	206,780	10,290	217,070
Loss for the year	-	-	-	-	-	-	-	-	-	(38,528)	(38,528)	(3,382)	(41,910)
Fair value loss on financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	1,586	-	1,586	1,140	2,726
Other comprehensive income for the year	-	-	-	-	-	-	-	-	1,586	-	1,586	1,140	2,726
Total comprehensive income (expense) for the year	-	-	-	-	-	-	-	-	1,586	(38,528)	(36,942)	(2,242)	(39,184)
Recognition of equity-settled share-based payments under share award scheme (Note 42)	-	-	6,982	-	-	-	-	-	-	-	6,982	-	6,982
Transfer of share award upon vesting	-	4,405	(6,982)	-	2,577	-	-	-	-	-	-	-	-
- Recognition of equity-settled share-based under share option scheme (Note 41)	-	-	-	3,400	-	-	-	-	-	-	3,400	-	3,400
At 31 December 2025	17,247	-	-	3,400	76,997	60,759	117,788	(19,209)	936	(77,698)	180,220	8,048	188,268

Notes:

- (a) The other reserve of the Group represents i) the reserve arising from the change in the Group's ownership interest in existing subsidiary without losing control and ii) the difference between the consideration for the acquisition of 51% equity of CASH Algo Finance Group International Limited from Confident Profits Limited, a fellow subsidiary of the Company and the share capital of CASH Algo Finance Group International Limited in prior years.
- (b) The contributed surplus of the Group represents the difference between the nominal amount of the shares issued by the Company and the aggregate of the nominal amount of the issued share capital and the reserves of a wholly-owned subsidiary, the holding company of the Group prior to the group reorganisation, pursuant to the group reorganisation after deducting the expenses in connection with the listing of the Company's shares and the acquisition of subsidiaries, and the net amount arising from the capital reduction, reduction of share premium account and amounts transferred to eliminate accumulated losses.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Operating activities			
Loss before taxation		(38,273)	(31,543)
Adjustments for:			
Depreciation of property and equipment	19	6,789	10,570
Interest expense	13	4,585	9,985
Interest income	6 & 8	(12,529)	(22,904)
Dividend income	9	(647)	(811)
Net gain on financial liabilities arising from consolidated investment funds	9	(2,362)	(33)
Net gains on fair value changes of financial assets at FVTPL	9	(11,799)	(23,075)
Loss on disposal of property and equipment	9	979	855
Equity-settled share-based expenses		10,382	–
Impairment losses under expected credit loss model, net of reversal	14	284	381
Operating cash flows before movements in working capital		(42,591)	(56,575)
Decrease in other assets		121	512
(Increase) decrease in contract assets		(1,034)	1,927
Decrease in accounts receivable		25,678	11,096
Increase in loans receivable		(4,853)	(3,275)
(Increase) decrease in prepayments, deposits and other receivables		(737)	13,927
Decrease in financial assets at fair value through profit or loss		6,951	19,033
(Increase) decrease in bank balances – trust and segregated accounts		(64,304)	37,969
Increase (decrease) in accounts payable		60,226	(24,584)
Increase (decrease) in accrued liabilities and other payables		2,296	(10,273)
Increase in provision for restoration		1,272	–
Cash used in operations		(16,975)	(10,243)
Interest received		12,443	22,811
Income taxes paid, net		–	(985)
Dividend received		647	811
Net cash (used in) from operating activities		(3,885)	12,394

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended 31 December 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Investing activities			
Purchase of property and equipment		(106)	(24)
Placement of fixed deposits with original maturity over three months		(14)	(423)
Proceeds from disposal of equity investments at FVTOCI		–	16,943
Proceeds from disposal of property and equipment		477	–
Redemption of consolidated investment funds		3,234	–
Net cash from investing activities		3,591	16,496
Financing activities			
Repayments of lease liabilities	40	(6,737)	(12,137)
Advances from bank borrowings	40	169,000	8,500
Repayment of bank borrowings	40	(181,000)	(42,500)
Advances from a related party	40	60,000	–
Repayments to a related party	40	(62,500)	(10,767)
Interest paid	40	(4,695)	(10,261)
Repayment to fellow subsidiaries	40	(8,029)	(23,967)
Contribution from third party investors to consolidated investment funds		23,697	2,988
Redemption to third party investors of consolidated investment funds		(3,710)	(1,562)
Purchase of shares held for share award scheme		–	(4,405)
Net cash used in financing activities		(13,974)	(94,111)
Net decrease in cash and cash equivalents		(14,268)	(65,221)
Cash and cash equivalents at beginning of year		88,488	154,443
Effect of change in foreign exchange rate		2,907	(734)
Cash and cash equivalents at end of year		77,127	88,488
Analysis of:			
Bank balances (general accounts) and cash		77,127	88,488

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL

CASH Financial Services Group Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Celestial Investment Group Limited (“CIGL”) and Celestial Asia Securities Holdings Limited (“CASH”) are the immediate holding company and the ultimate holding company of the Company respectively. CASH is a company incorporated in Bermuda with its shares listed on the Stock Exchange and produces financial statements available for public use.

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of the principal place of business of the Company was changed to 28/F Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong with effect from 21 November 2025.

The Company and its subsidiaries (the “Group”) are principally engaged in the following activities:

- provision of online and traditional brokerage of securities, futures and options as well as general and life insurance, mutual funds and mandatory provident fund (“MPF”) products;
- proprietary trading of equity securities and derivatives;
- provision of margin financing and money lending services; and
- provision of investment management services.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards HKFRS 18	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
Amendments to HKAS 21	Presentation and Disclosure in Financial Statements ³
	Translation to a Hyperinflationary Presentation Currency ³

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

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

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

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

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

The amendments to HKFRS 9 "Financial Instruments" ("HKFRS 9") clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term "non-recourse" is enhanced and the characteristics of "contractually linked instruments" are clarified in the amendments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (continued)

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

Amendments to HKFRS 9 and HKFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” (continued)

The disclosure requirements in HKFRS 7 *“Financial Instruments: Disclosures”* in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The amendments are required to be applied retrospectively, with specific exceptions. The application of the amendments is not expected to have material impact on the financial position and performance of the Group and the disclosure in the consolidated financial statements in the future.

HKFRS 18 “Presentation and Disclosure in Financial Statements” (“HKFRS 18”)

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *“Presentation of Financial Statements”* (“HKAS 1”). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, 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. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *“Accounting Policies, Changes in Accounting Estimates and Errors”* (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) and HKFRS 7 *“Financial Instruments: Disclosures”*. Minor amendments to HKAS 7 *“Statement of Cash Flows”* and HKAS 33 *“Earnings per Share”* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Basis of consolidation (continued)

When the Group is an investor of a fund in which the Group also acts as a general partner, and the Group also determines whether it is a principal or an agent for the purpose of assessing whether the Group controls the relevant funds.

An agent is a party primarily engaged to act on behalf and for the benefit of another party or parties (the principal(s)) and therefore does not control the investee when it exercises its decision-making authority. In determining whether the Group is an agent to the funds, the Group would assess:

- the scope of its decision-making authority over the investee;
- the rights held by other parties;
- the remuneration to which it is entitled in accordance with the remuneration agreements; and
- the decision maker's exposure to variability of returns from other interests that it holds in the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Basis of consolidation (continued)

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Revenue from contracts with customers

Information about the Group's accounting policies relating to revenue from contracts with customers is provided in note 5.

Leases

Definition of a lease

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 "Lease" at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Short-term leases

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability; and
- an estimate of costs to be incurred by the Group in restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets in "property and equipment", the same line item within which the corresponding underlying assets would be presented if they were owned.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received and makes adjustments specific to the lease.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Cash and cash equivalents

Bank balances (general accounts) and cash presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less). Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of bank balances (general accounts) and cash as defined above. Bank balances held under trust and segregated accounts are excluded from the Group's cash and cash equivalents and the relevant cash flow is presented under operating activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Borrowing costs

All borrowing costs, that are not directly attributable to the acquisition, construction or production of qualifying assets, are recognised in profit or loss in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Retirement benefits costs

Payments to defined contribution plans including state-managed benefit scheme and the Mandatory Provident Fund Scheme ("MPF Scheme") are recognised as expenses when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Share awards/Share options granted to employees and others providing similar services

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

For any share options granted, the fair value of the share options determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

For any awarded shares granted, the fair value of the employee services received is determined by reference to the fair value of awarded shares granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share award reserve). At the end of each reporting period, the Group revises its estimates of the number of awarded shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss, with a corresponding adjustment to the share award reserve. For awarded shares that are vested immediately at the date of grant, the fair value of the awarded shares granted is expensed immediately to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Share-based payments (continued)

Equity-settled share-based payment transactions (continued)

Share awards/Share options granted to employees and others providing similar services (continued)

For any shares of the Company ("Scheme Shares") that are purchased under the share award scheme, the consideration paid, including any directly attributable incremental costs, would be presented as "shares held for share award scheme" and deducted from equity. When the Scheme Shares are transferred to the awardees upon vesting, the related costs of the Scheme Shares are eliminated against the share award reserve and the remaining balances will be transferred to share premium. For the own shares acquired by the Company for the scheme, the details have been disclosed in note 42.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Property and equipment

Property and equipment held for supply of goods or services, or for administrative purpose are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on property and equipment and intangible assets below).

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property and equipment (including right-of-use assets) and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment (including right-of-use assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property and equipment (including right-of-use assets) and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Impairment on property and equipment (including right-of-use assets) and intangible assets (continued)

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU or the group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or the group of CGUs) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Provisions (continued)

Restoration provisions

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 "Revenue from Contracts with Customers". Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset, the Group may irrevocably elect to present subsequent changes in fair value of equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a designated and effective hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the investments revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and is transferred to accumulated losses.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains (losses)" line item.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including accounts receivable, loans receivable, deposits and other receivables, fixed deposits with original maturity over three months and bank balances) and other items (representing contract assets) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12-m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the counterparties, general economic conditions and an assessment of past events and current conditions at the reporting date as well as the forecast of future economic conditions.

The Group always recognises lifetime ECL for contract assets and accounts receivables arising from contracts with customers under HKFRS 15. The ECL on these assets are assessed based on the Group’s exposure at default (“EAD”), historical default rates or default rates by reference to the Probability of Default (“PD”) and Loss Given Default (“LGD”) over the expected life and is adjusted for forward-looking estimates.

For all other instruments, the Group measures the loss allowance equal to 12-m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s accounts receivable operate as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk (continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument'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 debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition if contractual payments are more than 30 days past due, with the exception of accounts receivable arising from the business of margin financing, where a longer past-due period is permitted. This presumption is rebutted because the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(ii) Definition of default

For internal credit risk management, the Group considers the event of default occurs when the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

In respect of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due, with the exception of accounts receivable arising from the business of margin financing, where a longer past-due period is permitted. This presumption is rebutted because the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the PD, LGD (i.e. the magnitude of the loss if there is a default) and the EAD. The assessment of the PD and LGD is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for contract assets and accounts receivable arising from HKFRS 15, and those not credit-impaired accounts receivable from margin clients are considered on a collective basis taking into consideration past due information, relevant credit information and forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Nature of financial instruments;
- Loan to collateral value ratio ("LTV");
- Past-due status; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount through a loss allowance account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost, exchange differences are recognised in profit or loss in the "other gains (losses)" line item (note 9) as part of the net foreign exchange gain (loss);
- For financial assets measured at FVTPL, exchange differences are recognised in profit or loss in the "other gains (losses)" (note 9) line item as part of the net gains on financial assets at FVTPL;
- For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated losses.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Equity instruments (continued)

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Where the shares of the Company are purchased under the Share Award Scheme (as defined in note 42), the consideration paid, including any directly attributable incremental costs, is presented as "shares held for share award scheme" and deducted from equity.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

(i) Financial liabilities at FVTPL arising from consolidated investment funds

A financial instrument that gives the holder the right to put it back to the Group for cash or another financial asset (a "puttable instrument") is a financial liability. The financial instrument is a financial liability even when the amount of cash or other financial assets is determined on the basis that has the potential to increase or decrease.

Net assets attributable to holders of consolidated investment funds are determined based on the attributable shares or units of the residual assets of the consolidated investment funds after deducting the consolidated investment fund's other liabilities. The holders have the right to put their attributable shares to the fund for cash with no cause.

Financial liabilities at FVTPL are measured at fair value at the end of the reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "other gains (losses)" line item.

As at the end of the reporting period, such financial liability of net assets attributable to holders of non-controlling interests in consolidated investment funds is presented as "financial liabilities arising from consolidated investment funds" in the consolidated statement of financial position.

(ii) Financial liabilities at amortised cost

Financial liabilities including accounts payable, other payables, bank borrowings and loan from a related party and amounts due to fellow subsidiaries are subsequently measured at amortised cost, using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the “other gains (losses)” line item in profit or loss (note 9) as part of net foreign exchange gain (loss).

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount is presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment assessment under ECL model for accounts receivable arising from margin financing

The impairment assessment under ECL model for accounts receivable arising from margin financing is an area that requires the use of models and management assumptions about future economic conditions and the credit risk of the margin clients.

In applying the accounting requirements for measuring ECL, the management applies significant judgements, estimation and assumptions to determine criteria for significant increase in credit risk, select appropriate models and assumptions for the measurement of ECL and consider the forward-looking scenarios.

Inputs, assumptions and estimation techniques

ECL of accounts receivable arising from margin financing is measured by the Group on either a 12-month or lifetime basis depending on whether they are in Stage 1, 2 (credit risk has increased significantly since initial recognition) or 3 (credit-impaired). In assessing whether the credit risk of a financial asset has significantly increased, the Group considered the historical trend in LTV ratio as well as qualitatively, if applicable, and quantitatively reasonable and supportable forward-looking information available without undue cost or effort. ECL is the discounted product of expected future cash flows by using the PD, LGD and EAD, of which PD and LGD are based on significant management judgement and estimation. For non-credit impaired accounts receivable arising from margin financing, the management performed collective assessment and ECL are estimated on a portfolio basis based on the Group's historical default and loss data and adjusted for forward-looking factors that are available without undue cost or effort. For credit-impaired receivable arising from margin financing, the management performed individual assessment for each client by considering various factors, including the realisable value of securities or collaterals held by the Group.

Forward-looking information

The calculation of ECL considers forward-looking information through the use of gross domestic product and unemployment rate and management judgement to reflect the qualitative factors and through the use of multiple probability weighted scenarios of the market performance.

Details of the impairment assessment of accounts receivable arising from margin financing are disclosed in note 39.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Income taxes

Deferred tax asset of HK\$nil (2024: HK\$1,814,000) in relation to unused tax losses of HK\$nil (2024: HK\$7,256,000) for certain subsidiaries in the People's Republic of China (the "PRC") has been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised on unused tax losses approximately HK\$746,899,000 (2024: HK\$676,254,000) and deductible temporary differences of HK\$52,826,000 (2024: HK\$44,576,000) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits will be available in the future or taxable temporary differences are expected to reverse in the same period as the expected reversal of the deductible temporary differences, which is a key source of estimation uncertainty. The uncertainty would depend on how the ongoing uncertain macroeconomic and geopolitical environment, which includes inflation, volatility in foreign exchange rates, increased interest rates and financial market turbulence. In case where the actual future profits generated are more than expected, recognition of deferred tax asset in relation to estimated unused tax losses and deductible temporary differences may arise, which would be recognised in the profit or loss for the period in which such a recognition takes place.

Fair value of financial assets at FVTOCI

The Group holds financial instruments that are not listed and are not traded in active markets. The Group employs valuation methods and makes assumptions that are based on market conditions as at the reporting date. These investments are valued by independent external valuation specialists based on generally accepted valuation models. The model may employ observable data where available and to the extent practicable. However, the model may also use unobservable data such as the discount factor for lack of marketability, the determination of these unobservable inputs used in the model may involve subjective judgement and estimates.

Whilst the Group considers these valuations are the best estimates, the inflationary environment may result in greater volatility and uncertainty to the investees' businesses, which have led to higher degree of uncertainties in respect of the valuations in the current year. Changes in assumptions or inputs could affect the reported fair values of these instruments. Details of valuation methodologies or inputs are set out in note 39 to the consolidated financial statements.

5. FEE AND COMMISSION INCOME

(i) Disaggregation of revenue from contracts with customers

	2025 HK\$'000	2024 HK\$'000
Type of services		
Broking services	16,831	11,816
Wealth management services	16,466	6,573
Investment management services	18,800	5,095
Handling and other services	2,715	4,473
Total	54,812	27,957

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

5. FEE AND COMMISSION INCOME (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

	2025 HK\$'000	2024 HK\$'000
Timing of revenue recognition		
A point in time	46,245	26,590
Over time	8,567	1,367
Total	54,812	27,957
Geographical markets		
Hong Kong	36,012	22,862
Mainland China	18,800	5,095
Total	54,812	27,957

Fee and commission income of HK\$36,012,000 (2024: HK\$22,862,000) is presented as financial services segment revenue and HK\$18,800,000 (2024: HK\$5,095,000) is presented as investment management segment revenue respectively in the segment information in note 7.

(ii) Performance obligations for contracts with customers and revenue recognition policies

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Broking services

The Group provides broking services to customers on securities, futures and options trading. Commission income from broking services is determined at a certain percentage of the transaction value of the trades executed and is recognised as income on the date the trades are executed (i.e. at a point in time). Normal settlement terms are one or two days after trade date, unless specifically agreed with counterparties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

5. FEE AND COMMISSION INCOME (continued)

(ii) Performance obligations for contracts with customers and revenue recognition policies (continued)

Revenue from contracts with customers (continued)

Wealth management services

Insurance and fund products placement services

The Group provides placement services for general and life insurances, mutual funds and Mandatory Provident Fund products to customers. Revenue is recognised at a point in time when the placement is successfully completed. Revenue is measured at the amount of considerations to which the Groups expects to be entitled.

Advisory services

The Group provides wealth management related advisory services to customers such as referrals of wealth management clients to third parties for referral commission. The advisory fees are recognised at a point in time, such as abovementioned wealth management clients successfully subscribe wealth management products through abovementioned third parties. Payments are received in accordance to the completion of relevant advisory activities. The period from satisfaction of the performance obligation to receipt of consideration is usually within one year or less.

Consultancy services

The Group provides consultancy regarding the immigration information services to customers. Consultancy services to customer are recognised over time as the customer simultaneously receives and consumes the benefit provided by the Group. Consultancy fee is normally due monthly.

Investment management services

Investment management services to customers are recognised over time as the Group provides investment management services and the customers simultaneously receives and consumes the benefit provided by the Group. The investment management income is charged at a fixed percentage per month of the net asset value of the managed accounts under management of the Group. The Group estimates the amount of consideration to which it will be entitled using the most likely amount.

The Group is also entitled to a performance fee when there is a positive performance for the relevant performance period and it is recognised at the end of the relevant performance period. The performance fee is recognised at a point in time when it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Management fees are normally due and recognised on a monthly basis while performance fees are normally due at the end of the relevant performance period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

5. FEE AND COMMISSION INCOME (continued)

(ii) Performance obligations for contracts with customers and revenue recognition policies (continued)

Revenue from contracts with customers (continued)

Handling and other services

The Group provides services in securities, futures and options trading and customer's account handling. Handling and other services fee income are recognised at a point in time when the transactions are executed and services are completed.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

Variable consideration

For contracts that contain variable consideration, such as performance fee from investment management services, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The Group applied the practical expedient for contracts with original expected duration less than one year, and did not disclose the aggregate amount of transaction price allocated to performance obligations of the services that are unsatisfied (or partly unsatisfied).

6. INTEREST INCOME

	2025 HK\$'000	2024 HK\$'000
Interest income arising from financial assets at amortised cost	12,443	22,811

Interest income of HK\$12,314,000 (2024: HK\$21,100,000) and HK\$129,000 (2024: HK\$1,711,000) are presented as financial services segment revenue and investment management segment revenue respectively in the segment information in note 7.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

7. SEGMENT INFORMATION

Reportable and operating segment

The Chief Executive Officer of the Company, being the chief operating decision maker (“CODM”), regularly reviews the income from financial services (including broking and wealth management services and proprietary trading activities) and investment management services for the purpose of resource allocation and performance assessment. This is the measure reported to the CODM for the purpose of resource allocation and assessment of performance.

Segment revenue and result

The accounting policies of the operating segments are the same as the Group’s accounting policies. Segment loss represents the loss incurred by the segment before certain net foreign exchange loss, equity-settled share-based expenses and unallocated corporate expenses.

Right-of-use assets and lease liabilities are not allocated to segments for the measurement of segment assets and liabilities while depreciation of right-of-use assets and finance cost for lease liabilities are included in segment results. Certain financial assets at FVTPL are not allocated to segments for the measurement of segment assets while its fair value change on financial assets at FVTPL are included in segment results.

For the year ended 31 December 2025

	Financial services HK\$000	Investment management services HK\$000	Total HK\$000
Revenue	48,326	18,929	67,255
RESULT			
Segment (loss)/gain	(17,150)	2,432	(14,718)
Net foreign exchange loss			(103)
Equity-settled share-based expenses			(10,382)
Unallocated corporate expenses			(13,070)
Loss before taxation			(38,273)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

7. SEGMENT INFORMATION (continued)

Reportable and operating segment (continued)

Segment revenue and result (continued)

For the year ended 31 December 2024

	Financial services HK\$000	Investment management services HK\$000	Total HK\$000
Revenue	43,962	6,806	50,768
RESULT			
Segment (loss)/gain	(33,065)	9,152	(23,913)
Net foreign exchange loss			(45)
Unallocated corporate expenses			(7,585)
Loss before taxation			(31,543)

All the segment revenue is derived from external customers.

Segment assets and liabilities

All assets are allocated to the operating segments other than right-of-use assets included in property and equipment, financial assets at FVTOCI, certain financial assets at FVTPL, certain property and equipment and other receivables and cash. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

All liabilities are allocated to the operating segments other than lease liabilities, amounts due to fellow subsidiaries, loan from a related party, provision for restoration and taxation payable. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

7. SEGMENT INFORMATION (continued)

Reportable and operating segment (continued)

Segment assets and liabilities (continued)

As at 31 December 2025

	Financial services HK\$000	Investment management services HK\$000	Total HK\$000
ASSETS			
Segment assets	578,062	109,246	687,308
Property and equipment			3,727
Financial assets at FVTOCI			4,806
Financial assets at FVTPL			4,518
Other unallocated assets			21,209
Consolidated total assets			721,568
LIABILITIES			
Segment liabilities	468,044	16,444	484,488
Lease liabilities			1,122
Amounts due to fellow subsidiaries			21,776
Tax payable			505
Loan from a related party			22,507
Provision for restoration			2,902
Consolidated total liabilities			533,300

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

7. SEGMENT INFORMATION (continued)

Reportable and operating segment (continued)

Segment assets and liabilities (continued)

As at 31 December 2024

	Financial services HK\$000	Investment management services HK\$000	Total HK\$000
ASSETS			
Segment assets	568,213	122,678	690,891
Property and equipment			8,905
Financial assets at FVTOCI			4,806
Financial assets at FVTPL			4,592
Other unallocated assets			4,731
Consolidated total assets			713,925
LIABILITIES			
Segment liabilities	418,451	13,575	432,026
Lease liabilities			6,276
Amounts due to fellow subsidiaries			29,805
Taxation payable			2,015
Loan from a related party			25,103
Provision for restoration			1,630
Consolidated total liabilities			496,855

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

7. SEGMENT INFORMATION (continued)

Other information

For the year ended 31 December 2025

	Financial services HK\$'000	Investment management services HK\$'000	Unallocated amount HK\$'000	Total HK\$'000
Amounts included in the measure of segment profit or loss or segment assets:				
Addition to non-current assets	–	–	1,678	1,678
Depreciation of property and equipment	(4,743)	(1,269)	(777)	(6,789)
Finance costs	(4,425)	(89)	(71)	(4,585)
Net gains (losses) on financial assets at FVTPL	14,096	(1,650)	–	12,446
Impairment losses, net of reversal				
– accounts receivable	(43)	–	–	(43)
– loans receivable	(241)	–	–	(241)
Net foreign exchange gain (loss)	351	62	(103)	310

For the year ended 31 December 2024

	Financial services HK\$'000	Investment management services HK\$'000	Unallocated amount HK\$'000	Total HK\$'000
Amounts included in the measure of segment profit or loss or segment assets:				
Addition to non-current assets	6	–	1,168	1,174
Depreciation of property and equipment	(7,997)	(1,764)	(809)	(10,570)
Finance costs	(9,840)	(123)	(22)	(9,985)
Net gains on financial assets at FVTPL	1,738	21,337	–	23,075
Impairment losses, net of reversal				
– accounts receivable	(504)	–	–	(504)
– loans receivable	123	–	–	123
Net foreign exchange (loss) gain	(329)	4	(45)	(370)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

7. SEGMENT INFORMATION (continued)

Other information (continued)

The Group's segment revenue from external customers determined based on location of operation of the Group and information about its non-current assets (excluding deposits and financial instruments) by geographical location of the assets are detailed below:

	Revenue from external customers		Non-current assets	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong (Place of domicile)	48,455	45,673	12,401	19,262
PRC	18,800	5,095	276	13
Total	67,255	50,768	12,677	19,275

There were no customers for the years ended 31 December 2025 and 2024 contributing over 10% of the Group's total revenue.

8. OTHER INCOME

	2025	2024
	HK\$'000	HK\$'000
Imputed interest income on rental deposits	86	93
Sundry income	3,349	2,275
	3,435	2,368

9. OTHER GAINS (LOSSES)

	2025	2024
	HK\$'000	HK\$'000
Net gains on financial assets at FVTPL (note)	12,446	23,075
Net gain on financial liabilities arising from consolidated investment funds	2,362	33
Loss on disposal of property and equipment	(979)	(855)
Net foreign exchange gain (loss)	310	(370)
	14,139	21,883

Note: The amount includes dividend income of HK\$647,000 (2024: HK\$811,000) from financial assets at FVTPL.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

10. SALARIES AND RELATED BENEFITS

	2025 HK\$'000	2024 HK\$'000
Salaries and related benefits represent the amounts paid and payable to the directors of the Company and employees of the Group, and comprise:		
Salaries and allowances	47,603	44,521
Contributions to retirement benefits schemes	939	1,014
Equity-settled share-based expenses (Note)	10,382	–
	58,924	45,535

Note: The Group recognised the total expense of HK\$6,982,000 (2024: HK\$nil) and HK\$3,400,000 (2024: HK\$nil) for the year ended 31 December 2025 in relation to shares granted under share award scheme and share options granted under share option scheme, respectively.

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and Chief Executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Hong Kong Companies Ordinance, is as follows:

For the year ended 31 December 2025

	Kwan Pak Ho Bankee HK\$'000 (note (a))	Kwan Teng Hin Jeffrey HK\$'000	Cheung Tze Yui Morton HK\$'000 (note (b))	Lai Wai Kwong Daryl HK\$'000	Wong Sze Kai Angela HK\$'000	Total 2025 HK\$'000
(A) EXECUTIVE DIRECTORS						
Fees						
Other emoluments:						
Salaries and allowances	1,800	360	600	300	600	3,660
Retirement benefits	–	18	18	15	18	69
Equity-settled share-based expenses	1,630	1,630	1,627	200	200	5,287
Sub-total	3,430	2,008	2,245	515	818	9,016
	Chan Ho Wah Terence HK\$'000	Lo Ming Chi Charles HK\$'000 (note (c))	Cheng Shu Shing Raymond HK\$'000	Luke Wing Sheung Suzanne HK\$'000 (note (c))	Total 2025 HK\$'000	
(B) INDEPENDENT NON-EXECUTIVE DIRECTORS						
Fees	150	100	150	50	450	
Sub-total	150	100	150	50	450	
Total						9,466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

For the year ended 31 December 2024

	Kwan Pak Hoo Bankee HK\$'000 (note (a))	Chan Ching Wan Alpha HK\$'000 (note (f))	Kwan Teng Hin Jeffrey HK\$'000	Cheung Tsz Yui Morton HK\$'000 (note (b))	Lai Wai Kwong Daryl HK\$'000 (note (d))	Law Hin Ong Trevor HK\$'000 (note (b))	Wong Sze Kai Angela HK\$'000	Total 2024 HK\$'000
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(A) EXECUTIVE DIRECTORS

Fees

Other emoluments:

Salaries and allowances

Retirement benefits

Sub-total

1,800	-	360	600	405	53	600	3,818
15	-	18	18	16	2	18	87
1,815	-	378	618	421	55	618	3,905

	Chan Ho Wah Terence HK\$'000	Lo Ming Chi Charles HK\$'000 (note (c))	Cheng Shu Shing Raymond HK\$'000	Total 2024 HK\$'000
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(B) INDEPENDENT NON-EXECUTIVE DIRECTORS

Fees

Sub-total

Total

150	150	150	450
150	150	150	450
			4,355

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Notes:

- Dr Kwan Pak Hoo Bankee was Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.
- During the year ended 31 December 2024, Mr Cheung Tsz Yui Morton was appointed executive directors of the Company and Mr Law Hin Ong Trevor and Mr Chan Ching Wan Alpha resigned as director of the Company.
- During the year ended 31 December 2025, Ms Luke Wing Sheung Suzanne was appointed as independent non-executive director of the Company and Mr Lo Ming Chi Charles resigned as independent non-executive director of the Company.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

During the year, certain directors were granted share options and share award, in respect of their services to the Group under the share option scheme and share award scheme of the Company. Details of the share option scheme and share award scheme are set out in notes 41 and 42 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

12. EMPLOYEES' REMUNERATION

Two (2024: one) of the five individuals with the highest emoluments in the Group were directors of the Company for the year ended 31 December 2025. Details of these directors' emolument are included in the disclosures in note 11 above. For the year ended 31 December 2025, the emolument of the remaining three (2024: four) individuals were as follows:

	2025	2024
	HK\$'000	HK\$'000
Salaries and allowances	1,692	3,205
Contributions to retirement benefits schemes	45	67
Performance-based incentive payments	3,256	1,776
Equity-settled share-based expenses	1,499	–
	6,492	5,048

For the year ended 31 December 2025, the remuneration of the three individuals (other than directors) (2024: four) was within the following bands:

	Number of employees	Number of employees
	2025	2024
Nil to HK\$1,000,000	–	2
HK\$1,000,001 to HK\$1,500,000	–	2
HK\$1,500,001 to HK\$2,000,000	1	–
HK\$2,000,001 to HK\$2,500,000	1	–
HK\$2,500,001 to HK\$3,000,000	1	–
	3	4

The emoluments of the five individuals with the highest emoluments in the Group excludes equity-settled share-based expenses related to share options that are not exercised during the year ended 31 December 2025.

13. FINANCE COSTS

	2025	2024
	HK\$'000	HK\$'000
Interest on bank borrowing	1,805	3,537
Interest on amounts due to fellow subsidiaries	1,138	2,633
Interest on lease liabilities	179	411
Interest on loan from a related party	1,463	3,404
	4,585	9,985

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

14. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	2025 HK\$'000	2024 HK\$'000
Net impairment losses recognised/(reversal) on:		
Accounts receivable	43	504
Loans receivable	241	(123)
	284	381

Details of impairment assessment for the years ended 31 December 2025 and 2024 are set out in note 39.

15. OTHER OPERATING EXPENSES

	2025 HK\$'000	2024 HK\$'000
Handling expenses:		
– dealing in securities	2,312	1,666
– dealing in futures and options	309	391
Advertising and promotion expenses	5,389	1,193
Telecommunications expenses	9,066	10,508
Auditor's remuneration	2,409	2,909
Legal and professional fees	5,454	3,827
Printing and stationery expenses	836	854
Repair and maintenance expenses	582	896
Travelling and transportation expenses	652	401
Water and electricity expenses	488	596
Office management fee and rates	3,636	1,930
Others	9,510	10,143
	40,643	35,314

16. INCOME TAX EXPENSE (CREDIT)

	2025 HK\$'000	2024 HK\$'000
Current tax:		
Hong Kong (note (a))	–	–
PRC	1,304	–
Over provision in prior years (note (b))	(3,000)	–
Deferred tax (note 35)	5,333	(1,814)
	3,637	(1,814)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

16. INCOME TAX EXPENSE (CREDIT) (continued)

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

The income tax expense (credit) for the year can be reconciled to the loss before taxation as per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025	2024
	HK\$'000	HK\$'000
Loss before taxation	(38,273)	(31,543)
Taxation at income tax rate of 16.5%	(6,315)	(5,205)
Tax effect of expenses not deductible for tax purpose	1,776	1,393
Tax effect of income not taxable for tax purpose	(2,374)	(2,294)
Tax effect of utilisation of tax losses previously not recognised	(4,685)	(3,503)
Tax effect of utilisation of temporary differences previously not recognised	–	(1)
Tax effect of deductible temporary difference not recognised	1,361	163
Tax effect of tax losses not recognised	15,678	7,946
Over provision in respect of prior years (note (b))	(3,000)	–
Effect of different tax rates of subsidiaries operating in another jurisdiction	1,196	(313)
Income tax expense (credit)	3,637	(1,814)

Note a: No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group has no assessable profits for both years.

Note b: During prior years, the Group recognised a tax payable of HK\$3 million in respect of a gain on disposal of a property by a subsidiary of the Company as the Group took the view that such transaction was subject to profits tax under the Inland Revenue Ordinance. During the current year, the Group reassessed the aforementioned tax position and concluded that it is no longer probable that the Group shall pay profits tax in respect of such gain as the number of years of assessment pertaining to the transaction has exceeded the statutory limitation period under the Inland Revenue Ordinance. Consequently, the HK\$3 million tax payable previously recognised was reversed in the current year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

17. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company for the year is based on the following data:

Loss

	2025	2024
	HK\$'000	HK\$'000
Loss for the purposes of basic and diluted loss per share	(38,528)	(35,102)

	2025	2024
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	421,236,889	420,020,238

Notes:

- (a) As at 31 December 2024, the trustee of the share award scheme held 18,282,000 ordinary shares of the Company for the share award scheme. During the current year, these shares were granted in two tranches to grantees. The weighted average number of ordinary shares for the purpose of calculation of basic and diluted loss per share for the years ended 31 December 2025 and 2024 has been adjusted for the effect of shares held by the trustee pursuant to the share award scheme. Details of the share award scheme and the movement of awarded shares of the Company have been disclosed in note 42 and should be read in conjunction with the relevant announcements of the share award scheme adopted by the Company.
- (b) For the years ended 31 December 2025 and 2024, the computation of diluted loss per share has not taken into account the effects of share options which are anti-dilutive.

18. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend for the years ended 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

19. PROPERTY AND EQUIPMENT

	Right-of- use assets – leased properties	Leasehold improvements	Furniture and fixtures	Computer and equipment	Motor vehicle	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
COST						
At 1 January 2024	76,680	17,605	5,884	10,811	836	111,816
Exchange adjustments	–	–	(11)	–	–	(11)
Additions	1,150	18	–	6	–	1,174
Disposal	(1,498)	–	–	–	–	(1,498)
Written-off	(24,421)	–	–	–	–	(24,421)
At 31 December 2024	51,911	17,623	5,873	10,817	836	87,060
Exchange adjustments	10	–	90	–	–	100
Additions	1,572	106	–	–	–	1,678
Disposal	–	(5,844)	–	–	–	(5,844)
Written-off	(23,442)	–	–	–	–	(23,442)
At 31 December 2025	30,051	11,885	5,963	10,817	836	59,552
ACCUMULATED DEPRECIATION AND IMPAIRMENT						
At 1 January 2024	61,600	13,775	5,587	10,155	152	91,269
Exchange adjustments	–	–	(9)	–	–	(9)
Provided for the year	8,721	1,305	285	177	82	10,570
Disposal	(643)	–	–	–	–	(643)
Written-off	(24,421)	–	–	–	–	(24,421)
At 31 December 2024	45,257	15,080	5,863	10,332	234	76,766
Exchange adjustments	–	–	10	–	–	10
Provided for the year	6,245	351	13	98	82	6,789
Disposal	–	(4,388)	–	–	–	(4,388)
Written-off	(23,442)	–	–	–	–	(23,442)
At 31 December 2025	28,060	11,043	5,886	10,430	316	55,735
CARRYING VALUES						
As at 31 December 2025	1,991	842	77	387	520	3,817
As at 31 December 2024	6,654	2,543	10	485	602	10,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

19. PROPERTY AND EQUIPMENT (continued)

The above property and equipment are depreciated on a straight-line basis over the following years:

Right-of-use assets – leased properties	Over the shorter of the lease terms and 5 years
Leasehold improvements	Over the shorter of the lease terms and 5 years
Furniture and fixtures	5 years
Computer and equipment	5 years
Motor vehicle	5 years

During the year ended 31 December 2025, right-of-use assets (leased properties) with a cost of HK\$23,442,000 (2024: HK\$24,421,000), were fully written off as they reached the end of their lease terms.

Expense relating to short-term leases for the year ended 31 December 2025 amounted to HK\$324,000 (2024: HK\$nil).

Total cash outflow for leases for the year ended 31 December 2025 amounted to HK\$7,229,000 (2024: HK\$12,548,000).

There are no extension options available for the leases entered into by the Group as at 31 December 2025.

Restrictions or covenants on leases

In addition, lease liabilities of HK\$1,122,000 (2024: HK\$6,276,000) are recognised with related right-of-use assets of HK\$1,991,000 (2024: HK\$6,654,000) as at 31 December 2025. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Impairment assessment

For impairment testing purpose, the recoverable amount of the property and equipment has been determined with reference to the recoverable amounts based on a value-in-use calculation. The directors of the Company consider that the value-in-use calculation is more than the carrying amounts and accordingly, no impairment is recognised in profit or loss for both years.

20. INTANGIBLE ASSETS

	Trading rights HK\$'000
<hr/>	
COST	
At 1 January 2024, 31 December 2024 and 2025	<hr/> 4,041
CARRYING VALUES	
At 31 December 2025	<hr/> 4,041
At 31 December 2024	<hr/> 4,041

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

20. INTANGIBLE ASSETS (continued)

At 31 December 2025, intangible assets amounting to HK\$4,041,000 (2024: HK\$4,041,000) represent trading rights that confer eligibility of the Group to trade on the Stock Exchange and the Hong Kong Futures Exchange. The trading rights have no foreseeable limit to the period over which the Group can use to generate net cash flows. As a result, the trading rights were considered by the management of the Group as having an indefinite useful life because these are expected to contribute to net cash inflows indefinitely. The trading rights will not be amortised until their useful life is determined to be finite. Instead these will be tested for impairment annually and whenever there is an indication that they may be impaired.

For impairment testing purpose, the recoverable amount of the trading rights is determined based on the fair value less cost of disposal. The directors of the Company consider that the fair value less cost of disposal of the trading rights is more than the carrying amounts and accordingly, no impairment is recognised in profit or loss for both years.

21. CLUB DEBENTURES

The club debentures are stated at cost, less any identified impairment losses.

22. OTHER ASSETS

	2025 HK\$'000	2024 HK\$'000
Statutory deposits with exchanges and clearing houses	4,159	4,280

The above deposits are non-interest bearing.

23. FINANCIAL ASSETS AT FVTOCI

Financial assets designated at FVTOCI:

	2025 HK\$'000	2024 HK\$'000
Unlisted equity investment at fair value	4,806	4,806

During the year ended 31 December 2024, the Group disposed its equity interest in Dataseed Fintech Holdings Limited for a consideration of HK\$16,943,000, resulting in a loss on disposal of HK\$4,819,000. The cumulative gain of HK\$1,342,000 was transferred from investments revaluation reserve to accumulated losses.

The unlisted investment is not held for trading, instead, it is held for long-term strategic purpose. The directors of the Company have elected to designate the unlisted investment as at FVTOCI as they believe that recognising short-term fluctuations in the investment's fair value in profit or loss would not be consistent with the Group's strategy of holding the investment for long-term purpose and realising its performance potential in the long run.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

24. ACCOUNTS RECEIVABLE

	Notes	2025 HK\$'000	2024 HK\$'000
Accounts receivable arising from the business of dealing in securities:			
Clearing houses, brokers and dealers	(a)	13,464	33,756
Cash clients		10,708	8,678
		24,172	42,434
Accounts receivable arising from the business of margin financing	(b)	63,236	114,506
Less: allowance for impairment		(13,121)	(55,243)
		50,115	59,263
Accounts receivable arising from the business of investment management		834	–
Accounts receivable arising from the business of dealing in futures and options:			
Cash clients	(a)	184	184
Clearing houses, brokers and dealers		16,140	15,285
		16,324	15,469
		91,445	117,166

Notes:

- (a) The normal settlement terms of accounts receivable arising from the business of dealing in securities are usually two days after trade date or at specific terms agreed with clients, brokers, dealers and accounts receivable arising from the business of dealing in futures and options are one day after trade date. As at 1 January 2024, accounts receivable from cash clients, brokers, dealers and clearing houses arising from the business of dealing in securities amounted to HK\$56,229,000.
- (b) The Group provides customers with margin financing for securities transactions secured by customers' securities held as collateral. Securities are assigned with specific margin ratios for calculating margin values. Additional funds or collateral are required if the amount of accounts receivable from margin clients outstanding exceeds the eligible margin value of the securities deposited.

The customers' listed securities can be sold at the Group's discretion to settle any margin call requirements imposed by their respective securities transactions. The Group is able to use clients' securities up to the amount of 140% of the accounts receivable from margin clients as collateral of the Group's borrowings. The accounts receivable from margin clients are repayable on demand and bear interest at commercial rates. As at 31 December 2025, accounts receivable from margin clients are secured by clients' pledged securities with fair value of approximately HK\$128,480,000 (2024: HK\$129,444,000), of which 33% (2024: 28%) of accounts receivable arising from the business of margin financing are fully collateralised.

The Group offsets certain accounts receivable and accounts payable when the Group currently has a legally enforceable right to set off the balances and intends either to settle on a net basis, or to realise the balances simultaneously. Details are set out in note 39.

No ageing analysis is disclosed as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business in margin financing.

Details of the credit risk profile disclosure and movements in the allowance for impairment for the years ended 31 December 2025 and 2024 are set out in "credit risk and impairment assessment" in note 39.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

25. CONTRACT ASSETS

Contract assets represent the Group's rights to commission from insurers for the provision of placement services of general and life insurance, mutual funds and MPF products. The Group recognises revenue when the placement is successful whilst the Group's right to commission is conditional on the payment of the premiums to the insurers. The contract assets are transferred to accounts receivable when the rights become unconditional.

The Group's contract assets are analysed as follows:

	2025	2024
	HK\$'000	HK\$'000
Commission arising from placement of mutual funds and insurance-linked investment products	1,945	911

As at 1 January 2024, contract assets amounted to HK\$2,838,000.

At 31 December 2025, the recognition of contract assets of HK\$1,945,000 (2024: HK\$911,000) represents management's best estimate of each contract's outcome.

The change in contract assets is the result of the increase in the wealth management services near year end.

Details of the impairment assessment of contract assets at 31 December 2025 and 2024 are set out in note 39.

26. LOANS RECEIVABLE

	2025	2024
	HK\$'000	HK\$'000
Revolving loans receivable denominated in:		
HK\$	12,605	8,939
United States dollars ("USD")	–	54
Less: allowance for impairment	(307)	(1,307)
	12,298	7,686

As at 31 December 2025, loans receivable has contractual interest rates ranging from 5% to 10% per annum (2024: from 6.1% to 10% per annum). Included in the carrying amount of loans receivable as at 31 December 2024, HK\$1,950,000 was loan to one director whilst as at 31 December 2025 and 2024, loans of HK\$312,000 and HK\$624,000 were made to one and two key management personnel respectively.

Details of impairment assessment as at 31 December 2025 and 2024 are set out in note 39.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

26. LOANS RECEIVABLE (continued)

The carrying amount of the loans receivable has remaining contractual maturity dates as follows:

	2025 HK\$'000	2024 HK\$'000
On demand or within one year	12,298	7,686

Included in loans receivable is a loan receivable from a director. The details are as follows:

Name	Balance at			Maximum amount	Maximum amount
	Balance at 1 January 2023 HK\$	and 1 January 2024 HK\$	Balance at 31 December 2025 HK\$	outstanding during the year ended 31 December 2024 HK\$	outstanding during the year ended 31 December 2025 HK\$
Director of the Company					
Mr Cheung Tsz Yui Morton	–	1,950	–	2,016	1,990

27. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Deposits	2,561	5,499
Receivables from brokers	78,119	91,145
Prepayments and other receivables	40,564	24,126
	121,244	120,770

Receivables from brokers represents deposits placed with securities brokers for securities trading purposes and carry interest at prevailing market rates.

Details of impairment assessment for the years ended 31 December 2025 and 2024 are set out in note 39.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

28. FIXED DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS AND BANK BALANCES AND CASH

(a) Bank balances – general accounts and trust and segregated accounts

Bank balances – trust and segregated accounts

The Group receives and holds monies deposited by clients and other institutions in the course of the conduct of the regulated activities of its ordinary business. Such monies are maintained in one or more segregated bank accounts and bear interest at commercial rate. The Group has recognised the corresponding liabilities to respective external clients and other institutions as accounts payable (note 31). However, the Group does not have a currently enforceable right to offset those payables with the deposits placed.

Bank balances (general accounts) and cash

Cash and cash equivalents include demand deposits and short-term deposits for the purpose of meeting the Group's short term cash commitments, at prevailing market interest rates with an original maturity of three months or less.

(b) Fixed deposits with original maturity over three months:

For the year ended 31 December 2025, the balances carry fixed interest rate of 0.38% (2024: 0.8%) per annum.

Details of impairment assessment for the years ended 31 December 2025 and 2024 are set out in note 39.

29. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 HK\$'000	2024 HK\$'000
Financial assets mandatorily measured at FVTPL:		
Listed securities held for trading:		
– Equity securities listed in Hong Kong (note (a))	118	21,551
– Equity securities listed in United States (note (a))	–	746
Other investments held for trading:		
– Unlisted fund investments (note (b))	21,452	18,128
Other investments held for long-term strategic purpose:		
– Unlisted fund investments (note (b))	4,518	4,592
	26,088	45,017

Notes:

- (a) The fair values of the listed equity securities are determined based on the quoted market bid prices available on the relevant exchanges.
- (b) The current carrying amount as disclosed above represent the maximum exposure as at 31 December 2025 and 31 December 2024. There were no unfilled capital commitments to these investment funds as at both year ends.

	2025 HK\$'000	2024 HK\$'000
Analysed for reporting purposes as:		
Current assets	21,570	40,425
Non-current assets	4,518	4,592
	26,088	45,017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

30. AMOUNTS DUE TO FELLOW SUBSIDIARIES

The amounts are unsecured, bearing interest at Prime rate (2024: bearing interest at Prime rate) and repayable on demand.

31. ACCOUNTS PAYABLE

	2025 HK\$'000	2024 HK\$'000
Accounts payable arising from the business of dealing in securities:		
Cash clients	315,566	260,012
Margin clients	71,605	63,487
Accounts payable to clients arising from the business of dealing in futures and options	24,637	28,083
	411,808	351,582

The settlement terms of accounts payable from the business of dealing in securities are usually two days after trade date, and accounts payable arising from the business of dealing in futures and options contracts are one day after trade date. No ageing analysis is disclosed as in the opinion of directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

Accounts payable to clients arising from the business of dealing in futures and options are margin deposits received from clients for their trading of these contracts. The required margin deposits are repayable upon the closure of the corresponding futures and options position. The excess of the outstanding amounts over the required margin deposits stipulated are repayable to clients on demand.

Except for the accounts payable to clients arising from the business of dealing in securities which bear interest at a fixed rate, all other accounts payable are non-interest bearing.

Accounts payable amounting to HK\$372,550,000 (2024: HK\$308,246,000) are payable to external clients and other institutions in respect of the trust and segregated bank balances received and held for clients and other institutions in the course of the conduct of regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

32. ACCRUED LIABILITIES AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Accrued liabilities		
– Accrual for salaries and commission	1,394	1,287
– Other accrued liabilities	4,160	4,665
Other payables	18,496	17,655
	24,050	23,607

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

33. BANK BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Bank loans, secured	34,000	46,025

The bank borrowings of HK\$34,000,000 (2024: HK\$46,025,000) are revolving loans and contain a repayment on demand clause and shown under current liabilities.

The Group's bank borrowings as at 31 December 2025 and 2024 are guaranteed and/or secured by marketable securities of the Group's margin clients with fair value of HK\$84,851,000 (2024: HK\$156,893,000) at 31 December 2025 (with clients' consent).

Bank loans amounting to HK\$34,000,000 (2024: HK\$46,025,000) are variable-rate borrowings which carry interest with reference to Hong Kong Inter-Bank Offered Rate ("HIBOR").

The effective interest rates on the Group's borrowings are also equal to the contracted interest rates of 4.5% to 4.9% (2024: 5.7% to 6.4%) per annum.

34. LOAN FROM A RELATED PARTY

The related party is a company owned by the ultimate controlling shareholder. The amount is unsecured, carried interest rate at HIBOR + 3% (2024: HIBOR + 3%) per annum and repayable after one year and shown under non-current liabilities.

35. DEFERRED TAX LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 HK\$'000	2024 HK\$'000
Deferred tax liabilities	(14,630)	(9,297)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

35. DEFERRED TAX LIABILITIES (continued)

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the current and prior years:

	Tax losses HK\$'000	Unrealised gain on financial assets at FVTPL HK\$'000	Total HK\$'000
At 1 January 2024	–	(11,111)	(11,111)
Deferred tax credited to profit or loss during the year (note 16)	1,814	–	1,814
At 31 December 2024	1,814	(11,111)	(9,297)
Deferred tax charged profit or loss during the year (note 16)	(1,814)	(3,519)	(5,333)
At 31 December 2025	–	(14,630)	(14,630)

At 31 December 2025, the Group has unused tax losses of approximately HK\$746,899,000 (2024: HK\$683,510,000) and deductible temporary differences of HK\$52,826,000 (2024: HK\$44,576,000) related to unrealised loss on financial assets at FVTPL and accelerated tax depreciation, which are available for offset against future profits. A deferred tax has been recognised in respect of HK\$nil (2024: HK\$7,256,000) of such losses. No deferred tax asset has been recognised in respect of the remaining unused tax losses approximately HK\$746,899,000 (2024: HK\$676,254,000) and deductible temporary differences of HK\$52,826,000 (2024: HK\$44,576,000) related to unrealised loss on financial assets at FVTPL and accelerated tax depreciation due to the unpredictability of future profit streams.

Estimated unused tax losses of HK\$15,918,000 (2024: HK\$12,670,000) incurred by certain subsidiaries operating in PRC are subject to expiry periods of five years from the year in which the tax losses arose under the current tax legislation. The remaining estimated unused tax losses have no expiry date but are subject to further approval of the Hong Kong Inland Revenue Department.

36. LEASE LIABILITIES

	2025 HK\$'000	2024 HK\$'000
Lease liabilities payable:		
Within one year	1,077	5,991
More than one year but not exceeding two years	45	285
	1,122	6,276
Less: amount due for settlement with 12 months shown under current liabilities	(1,077)	(5,991)
Amount due for settlement after 12 months shown under non-current liabilities	45	285

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

36. LEASE LIABILITIES (continued)

The weighted average incremental borrowing rates applied to lease liabilities ranged 4% to 4.875% (2024: from 4% to 4.875%).

The Group leases various properties to operate its business and these liabilities were measured at the present value of the lease payments that are not yet paid.

37. SHARE CAPITAL

	Number of shares ('000) of HK\$0.04 per share	HK\$'000
Authorised:		
At 1 January 2024, 31 December 2024 and 2025	750,000	30,000
Issued and fully paid:		
At 1 January 2024, 31 December 2024 and 2025	431,175	17,247

All new shares rank pari passu with other shares in issue in all respects.

38. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the bank borrowings disclosed in note 33, amounts due to fellow subsidiaries disclosed in note 30, loan from a related party in note 34 and lease liabilities disclosed in note 36, and equity attributable to owners of the Company, comprising issued share capital disclosed in note 37, accumulated losses and other reserves as disclosed in consolidated statement of changes in equity. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the issue of new shares and share options as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

Certain group entities are regulated by the Securities and Futures Commission ("SFC") and are required to comply with the financial resources requirements according to the Securities and Futures (Financial Resources) Rules ("SF(FR)R"). The Group's regulated entities are subject to minimum paid-up share capital requirements and liquid capital requirements under the SF(FR)R. Management closely monitors, on a daily basis, the liquid capital level of these entities to ensure compliance with the minimum liquid capital requirements under the SF(FR)R. The Group's regulated entities have complied with the capital requirements imposed by the SF(FR)R throughout both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2025	2024
	HK\$'000	HK\$'000
Financial assets		
At FVTPL	26,088	45,017
At FVTOCI	4,806	4,806
At amortised cost	675,080	642,376
Financial liabilities		
Amortised cost	508,587	470,170
At FVTPL	–	1,515

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, financial assets at FVTOCI, accounts receivable, loans receivable, amounts due to fellow subsidiaries, deposits and other receivables, fixed deposits with original maturity over three months, bank balances, bank borrowings, loan from a related party, other payables and accounts payable. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Equity and other price risks

The Group has a portfolio of equity securities held for trading which are measured at FVTPL and expose the Group to price risk. In both years, the directors of the Company manage the exposure by closely monitoring the portfolio of equity securities held for trading and imposing trading limits on individual trades.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risks of listed equity securities held for trading at the end of the reporting period.

As at 31 December 2025, if the market bid prices of the Group's listed equity investments had been 15 percent (2024: 15 percent) higher/lower, the Group's loss for the year would decrease/increase by HK\$18,000 (2024: HK\$3,345,000). This is attributable to the changes in fair values of the listed equity investments. Sensitivity analysis for unlisted fund investment and unquoted equity securities with fair value measurement categorised within Level 3 were disclosed in note 39.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Equity and other price risks (continued)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent price risk as the year end exposure does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group does not consider that there is significant fair value interest rate risk in relation to fixed deposits with original maturity over three months, accounts payable to clients arising from business of dealing in securities, a loan receivable carrying fixed interest rate and lease liabilities which are carried at amortised costs. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's balances with banks, accounts receivable arising from the business of margin financing, bank borrowings, amounts due to fellow subsidiaries, loan from a related party and certain loans receivable carrying interest at prevailing market rates. However, management closely monitors its exposure arising from margin financing and other lending activities undertaken by allowing an appropriate margin on the interest received and paid by the Group. A 50 (2024: 50) basis points ("bps") change representing management's assessment of the reasonably possible change in interest rates is used.

Management of the Group monitors the related interest rate exposure closely to ensure the interest rate risks are maintained at an acceptable level.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for financial assets and liabilities at amortised cost, bearing variable interest. The analysis is prepared assuming interest-bearing assets and liabilities outstanding at the end of respective reporting period were outstanding for the whole year. When reporting to management of the Group on the interest rate risk, a 50 bps increase or decrease in the relevant interest rates will be adopted for sensitivity analysis, assuming all other variables were held constant, which represents a reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as these are subject to minimal interest rate fluctuation. A positive number below indicates a decrease in loss after taxation of the Group or vice versa.

	2025	2024
	HK\$'000	HK\$'000
Loss after taxation for the year		
Increase by 50 bps	(135)	(184)
Decrease by 50 bps	135	184

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk

The group entities have financial assets and liabilities denominated in currencies other than their respective functional currencies. Consequently, the Group is exposed to risks that the exchange rate of functional currencies relative to other currencies may change in a manner that has an adverse effect on the value of the position of the Group's assets and liabilities denominated in foreign currencies.

The exposure primarily arises from the receivables from foreign brokers, foreign currency deposits with banks and accounts payable to clients denominated in USD and Renminbi ("RMB"). The management monitors foreign exchange exposure and will consider hedging significant foreign exposure should the need arise. The directors do not expect significant foreign exchange risk arising from USD denominated monetary items in view that HK\$ is pegged to USD.

The carrying amounts of the major foreign currency denominated monetary assets and monetary liabilities of the Group at the reporting date are as follows:

	Liabilities		Assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
USD	1,709	16,812	28,983	27,920
RMB	2,577	1,510	6,542	5,645

As at 31 December 2025, if RMB had strengthened/weakened by 5% (2024: 5%) against HK\$ and all other variables were held constant, the Group's loss after taxation would decrease/increase by HK\$198,000 (2024: HK\$207,000). Under the pegged exchange rate system, the financial impact in exchange fluctuation between HK\$ and USD is considered to be immaterial and therefore no sensitivity analysis has been prepared.

In the opinion of the management, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Credit risk and impairment assessment

The Group performed impairment assessment for financial assets and contract assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposure and related impairment assessment are summarised below.

In order to minimise the credit risk on brokerage and financing services, the Credit and Risk Management Committee is set up to compile the credit and risk management policies, to approve credit limits and to determine any debt recovery action on delinquent receivables. In addition, the Group performed impairment assessment for financial assets and other items under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The tables below detail the credit risk exposures of the Group's financial assets and contract assets, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit management and assessment	12-month or lifetime ECL	2025 Gross carrying amount HK\$'000	2024 Gross carrying amount HK\$'000
Financial assets at amortised cost						
Loans receivable	26	N/A	Notes 1, 5	12-month ECL Lifetime ECL (Credit-impaired)	12,605 –	7,535 1,458
					12,605	8,993
Bank balances and fixed deposits with original maturity over three months	28	A3 – Aa1 Baa3 – Baa1 (notes 2,5)	Note 2	12-month ECL 12-month ECL	448,308 1,806	394,788 2,369
					450,114	397,157
Accounts receivable arising from the business of dealing in securities, futures and options	24	N/A	Notes 5	lifetime ECL (not credit-impaired)	40,496	57,903
Accounts receivable arising from the business of investment management	24	N/A	Notes 5, 6	Lifetime ECL (not credit-impaired)	834	–
Accounts receivable arising from the business of margin financing	24	N/A	Note 4	12-month ECL Lifetime ECL (not credit-impaired) Lifetime ECL (Credit-impaired)	36,548 2 26,686	34,134 36 80,336
					63,236	114,506
Deposits and other receivables	27	N/A	Notes 5, 6	12-month ECL	121,223	120,367
Other item						
Contract assets	25	N/A	Note 3	Lifetime ECL (not credit-impaired)	1,945	911

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Notes:

1. In order to minimise the credit risk, the management of the Group closely evaluates the borrower's financial background and repayment abilities. The assessment is based on a close monitoring and evaluation of the collectability of each individual account and the past collection history. As at 31 December 2025, the Group had concentration of credit risk on loans receivable as 91% (2024: 67%) of the outstanding balance is from the top three (2024: three) borrowers. As at 31 December 2025, the management considered an unsecured loan overdue more than 90 days of HK\$Nil (2024: HK\$1,458,000) to be uncollectable and credit impaired. The loans receivable of HK\$12,605,000 (2024: HK\$7,535,000) are not overdue and are considered to have no significant increase in credit risk since initial recognition. Accordingly, these are subject to 12-m ECL.
2. The Group has concentration of credit risk arising from bank balances and fixed deposits with original maturity over three months which are mainly deposited with three banks. The credit risk on bank balances and bank deposits is limited because the counterparties are major institutional banks with credit ratings of Baa3 or higher assigned by international credit-rating agencies. These institutional banks have a low risk of default and there is no significant increase in credit risk since initial recognition. Accordingly, they are subject to 12-m ECL.
3. For contract assets, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the lifetime ECL on these items based on the Group's historical default rates or by reference to the PD and LGD of speculative grade ratings published by international credit rating agencies ("speculative grade ratings") over the expected life and is adjusted for forward-looking estimates. Majority of the balances are not past due as at 31 December 2025 and 2024.
4. As at 31 December 2025, the Group had concentration of credit risk on the accounts receivable from margin clients as the aggregate balances with the five largest clients represent approximately 66% (2024: 61%) of total accounts receivable from margin clients. The Group considers that there is significant increase in credit risk since initial recognition and default indicator when the LTV ratio of a particular client has increased up to certain level for a certain period of time.

For non-credit impaired margin accounts receivable arising from margin financing, the management performed a collective assessment that considers the past due status and LTV ratio. The ECL are assessed based on the Group's EAD, PD and LGD over the expected life of the accounts receivable. These are estimated on a portfolio basis using the Group's historical default and loss data and adjusted for forward-looking factors through the use of gross domestic product and unemployment rate that are available without undue cost or effort.

For credit-impaired margin accounts receivable from margin clients, the management performs an individual assessment for each client by considering various factors, including the realisable value of securities or collateral from clients which are held by the Group, any subsequent settlements, and adjusting for forward-looking factors that are available without undue cost or effort.

5. The ECL is assessed by reference to the PD and LGD of speculative grade ratings published by international credit rating agencies, and adjusted for forward-looking factors that are available without undue cost or effort.
6. The credit risk for receivables from brokers and accounts receivable from clearing houses, brokers and dealers is limited as the counterparties are major financial institutions, brokers, dealers or clearing houses, all of which are governed by regulators including the Hong Kong Monetary Authority, the SFC and various overseas regulatory bodies. Given this regulatory oversight, the directors considered the risk of default on repayments to be insignificant. Accordingly, they are subject to 12-m ECL.

Except for accounts receivable arising from margin financing and loans receivable, the ECL impairment allowance determined for other financial assets carried at amortised cost and contract assets is insignificant and accordingly no provision has been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

- (a) The following table shows the reconciliation of loss allowance that has been recognised for accounts receivable arising from margin financing.

	12-month ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2024	28	28	54,683	54,739
– Transfer to lifetime ECL (not credit-impaired)	(4)	4	–	–
– Transfer to 12-m ECL	3	(3)	–	–
– Impairment losses recognised	164	225	12,139	12,528
– Impairment losses reversed	(142)	(252)	(11,630)	(12,024)
As at 31 December 2024 and 1 January 2025	49	2	55,192	55,243
– Transfer to lifetime ECL (not credit-impaired)	(5)	5	–	–
– Impairment losses recognised	123	24	1,037	1,184
– Impairment losses reversed	(133)	(31)	(977)	(1,141)
– Write-offs	–	–	(42,165)	(42,165)
As at 31 December 2025	34	–	13,087	13,121

Note: In determining the allowances for credit impaired accounts receivable arising from margin financing, the management of the Group also takes into account shortfall by comparing the fair value of collateral and the outstanding balance of accounts receivable arising from margin financing. The directors of the Company consider that the recoverability of the credit-impaired accounts receivable arising from margin financing is highly reliant on the realisation of the collaterals held.

Accounts receivable arising from margin financing with a gross carrying amount of HK\$2,000 (2024: HK\$36,000) and HK\$26,686,000 (2024: HK\$80,336,000) were assessed as becoming lifetime ECL (not credit-impaired) due to significant increase in credit risk and lifetime ECL (credit-impaired) respectively due to the significant financial difficulty of the borrower and a breach of contract, such as a default. 12-m ECL of HK\$5,000 (2024: HK\$4,000) were transferred to lifetime ECL (not credit-impaired) during the current year.

During the year ended 31 December 2025, The Group writes off accounts receivable arising from margin financing when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. The Group has taken legal action against the debtors to recover the amount due.

An additional impairment loss of HK\$1,037,000 (2024: HK\$12,139,000) on credit-impaired accounts receivable arising from margin financing with gross carrying amount of HK\$26,686,000 (2024: HK\$80,336,000) has been recognised during the year due to the decrease in fair value of collateral. Also, an impairment loss of HK\$977,000 (2024: HK\$11,630,000) on credit-impaired accounts receivable arising from margin financing with gross carrying amount of HK\$984,000 (2024: HK\$23,750,000) has been reversed during the year due to repayment in margin financing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

(b) The following table shows the reconciliation of loss allowance that has been recognised for loans receivable.

	12-month ECL	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2024	69	–	1,361	1,430
– Impairment losses reversed	(3)	–	(120)	(123)
As at 31 December 2024 and 1 January 2025	66	–	1,241	1,307
– Impairment losses reversed	(27)	–	–	(27)
– Impairment losses recognized	268	–	–	268
– Write-offs	–	–	(1,241)	(1,241)
As at 31 December 2025	307	–	–	307

Liquidity risk

As part of ordinary broking activities, the Group is exposed to liquidity risk arising from timing difference between settlement with clearing houses or brokers and customers. To address the risk, the treasury team works closely with the settlement division on monitoring the liquidity gap. In addition, for contingency purposes, clean loan facilities are put in place.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other financial liabilities are based on the agreed settlement dates.

The table includes both interest and principal cash flows. To the extent that interest flows are at floating rate, the undiscounted amount is derived from the prevailing market rate at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Liquidity tables

	Weighted average interest rate %	Repayable on demand HK\$'000	Less than 1 month to 3 months HK\$'000	Between 3 months to 1 year HK\$'000	Over 1 to 5 years HK\$'000	Total contracted undiscounted cash flows HK\$'000	Carrying amount at reporting date HK\$'000
At 31 December 2025							
Accounts payable	0.001	411,808	-	-	-	411,808	411,808
Other payables	N/A	18,496	-	-	-	18,496	18,496
Amounts due to fellow subsidiaries	5.00	21,776	-	-	-	21,776	21,776
Bank borrowings	4.81	34,000	-	-	-	34,000	34,000
Loan from a related party	7.38	-	-	-	25,044	25,044	22,507
Lease liabilities	4.37	187	375	528	49	1,139	1,122
		486,267	375	528	25,093	512,263	509,709

	Weighted average interest rate %	Repayable on demand HK\$'000	Less than 1 month to 3 months HK\$'000	Between 3 months to 1 year HK\$'000	Over 1 to 5 years HK\$'000	Total contracted undiscounted cash flows HK\$'000	Carrying amount at reporting date HK\$'000
At 31 December 2024							
Accounts payable	0.001	311,533	40,049	-	-	351,582	351,582
Other payables	N/A	17,655	-	-	-	17,655	17,655
Amounts due to fellow subsidiaries	5.25	29,805	-	-	-	29,805	29,805
Bank borrowings	6.15	46,025	-	-	-	46,025	46,025
Lease liabilities	4.37	931	1,529	4,425	289	7,174	6,276
Loan from a related party	7.35	-	-	-	27,631	27,631	25,103
Financial liabilities arising from consolidated investment funds	N/A	1,515	-	-	-	1,515	1,515
		407,464	41,578	4,425	27,920	481,387	477,961

Bank borrowings with a repayment on demand clause are included in the "Repayable on demand" time band in the above maturity analysis. As at 31 December 2025, the aggregate carrying amounts of these bank borrowings amounted to approximately HK\$34,000,000 (2024: HK\$46,025,000). Taking into account the Group's financial position, the directors do not believe that it is probable that the banks and related party will exercise their discretionary rights to demand immediate repayment.

As at 31 December 2025, assuming the banks will not exercise their discretionary rights to demand immediate repayment, the aggregate principal and interest cash outflows of such bank loans, amounted to approximately HK\$34,278,000 (2024: HK\$48,796,000), will be repaid within 1 year after the end of the reporting period.

The amounts included above for variable interest rate instruments are subject to change if changes in variable interest rates differ from the estimated interest rates determined at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets are determined (in particular, the valuation technique(s) and input(s) used).

	Fair value as at		Fair value hierarchy	Valuation technique(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Reasonable significant change in unobservable inputs	Increase(+)/ decrease(-) in fair value of financial instruments by reasonable change in unobservable inputs
	31 December 2025 HK\$'000	31 December 2024 HK\$'000						
Financial assets								
Financial assets at FVTPL								
Investments held for trading								
– Equity securities listed in Hong Kong	118	21,551	Level 1	Quoted prices in an active market	N/A	N/A	N/A	N/A
– Equity securities listed in United States	-	746	Level 1	Quoted prices in an active market	N/A	N/A	N/A	N/A
– Unlisted fund investments	21,452	18,128	Level 2	Dealing price of the investment funds derived from the net asset values of the investment funds with reference to observable quoted prices of underlying investment portfolio in active markets and fair value of the remaining assets, as provided by a broker	N/A	N/A	N/A	N/A
Investment held for long-term strategic purpose								
– Unlisted fund investment	4,518	4,592	Level 3	Net asset value method	Net assets value	The higher the net assets value, the higher the fair value.	10%	2025: +452/-452 (2024: +459/-459)
Financial assets at FVTOCI								
– Unlisted equity investment	4,806	4,806	Level 3	Market approach	Discount factor for lack of marketability: 2025: 26% (2024: 24%) Price-to-Book (PB) Ratio*: 2025: 0.52 (2024: 0.64)	The higher the discount factor for lack of marketability, the lower the fair value. The higher the PB ratio, the higher the fair value.	10%	2025: -190/+190 (2024: -152/+152) 2025: -481/+481 (2024: -481/+480)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements of financial instruments (continued)

Reconciliation of level 3 fair value measurements

	Financial assets at FVTPL HK\$'000
As at 1 January 2024	4,691
Total losses in profit or loss	(99)
As at 31 December 2024 and 1 January 2025	4,592
Total losses in profit or loss	(74)
As at 31 December 2025	4,518

Included in profit or loss is an amount of unrealised loss of HK\$74,000 (2024: HK\$99,000) related to an unlisted fund investment at FVTPL held as at 31 December 2025.

	Financial assets at FVTOCI HK\$'000
As at 1 January 2024	25,821
Total loss in other comprehensive income	(4,072)
Disposal during the year	(16,943)
As at 31 December 2024, 1 January 2025 and 31 December 2025	4,806

For the year ended 31 December 2024, included in other comprehensive income was gains of HK\$747,000 related to unlisted equity investments at FVTOCI held as at 31 December 2024. There was no gain or loss recognised in other comprehensive income in relation to unlisted equity investments at FVTOCI during the year ended 31 December 2025.

There were no transfers between Levels 1 and 2 in the current and prior years.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The carrying amounts of the Group's financial instruments carried at cost or amortised cost approximate their fair value as at 31 December 2025 and 2024.

Financial assets and financial liabilities offsetting

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that are either:

- offset in the Group's consolidated statement of financial position; or
- not offset in the consolidated statement of financial position as the offsetting criteria are not met.

Under the agreement of continuous net settlement made between the Group and Hong Kong Securities Clearing Company Limited ("HKSCC") and brokers, the Group has a legally enforceable right to set off the money obligations receivable and payable with HKSCC and brokers on the same settlement date and the Group intends to settle on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial assets and financial liabilities offsetting (continued)

In addition, the Group has a legally enforceable right to set off the accounts receivable and payable with cash clients that are due to be settled on the same date and the Group intends to settle these balances on a net basis. The Group has a legally enforceable right to set off the accounts receivable and payable with margin clients and the Group intends to settle the balances on a net basis. Cash and margin clients collectively referred to as the brokerage clients.

Except for balances which are due to be settled on the same date which are being offset, amounts due from/to HKSCC, brokers and brokerage clients that are not to be settled on the same date, financial collateral including cash and securities received by the Group and deposits placed with HKSCC and brokers do not meet the criteria for offsetting in the consolidated statement of financial position since the right of set-off of the recognised amounts is only enforceable following an event of default.

As at 31 December 2025

	Gross amounts of recognised financial liabilities set off in the consolidated statement of financial position HK\$'000	Gross amounts of recognised financial assets presented in the consolidated statement of financial position HK\$'000	Net amounts of financial assets presented in the consolidated statement of financial position HK\$'000	Related amounts not set off in the consolidated statement of financial position Financial instruments HK\$'000	Collateral received* HK\$'000	Net amount HK\$'000
Financial assets						
Accounts receivable arising from the business of dealing in securities and margin financing	157,655	(83,368)	74,287	(8,517)	(40,940)	24,830

As at 31 December 2024

	Gross amounts of recognised financial liabilities set off in the consolidated statement of financial position HK\$'000	Gross amounts of recognised financial assets presented in the consolidated statement of financial position HK\$'000	Net amounts of financial assets presented in the consolidated statement of financial position HK\$'000	Related amounts not set off in the consolidated statement of financial position Financial instruments HK\$'000	Collateral received* HK\$'000	Net amount HK\$'000
Financial assets						
Accounts receivable arising from the business of dealing in securities and margin financing	196,816	(95,119)	101,697	(7,541)	(51,215)	42,941

* These represents market value of shares pledged by customers, which are capped at the outstanding balances of respective customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

39. FINANCIAL INSTRUMENTS (continued)

Financial assets and financial liabilities offsetting (continued)

As at 31 December 2025

	Gross amounts of recognised financial assets set off in the consolidated statement of financial position HK\$'000	Gross amounts of recognised financial liabilities presented in the consolidated statement of financial position HK\$'000	Net amounts of financial liabilities presented in the consolidated statement of financial position HK\$'000	Related amounts not set off in the consolidated statement of financial position		Net amount HK\$'000
				Financial instruments HK\$'000	Collateral paid HK\$'000	
Financial liabilities						
Accounts payable arising from the business of dealing in securities	464,154	(83,368)	380,786	(8,517)	-	372,269

As at 31 December 2024

	Gross amounts of recognised financial assets set off in the consolidated statement of financial position HK\$'000	Gross amounts of recognised financial liabilities presented in the consolidated statement of financial position HK\$'000	Net amounts of financial liabilities presented in the consolidated statement of financial position HK\$'000	Related amounts not set off in the consolidated statement of financial position		Net amount HK\$'000
				Financial instruments HK\$'000	Collateral paid HK\$'000	
Financial liabilities						
Accounts payable arising from the business of dealing in securities	418,618	(95,119)	323,499	(7,541)	-	315,958

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank borrowings	Loan from a related party	Lease liabilities	Amounts due to fellow subsidiaries	Financial liabilities arising from consolidated investment funds	Total
	HK\$'000 (note 33)	HK\$'000 (note 34)	HK\$'000 (note 36)	HK\$'000 (note 30)	HK\$'000 (note 45)	HK\$'000
At 1 January 2024	80,111	36,060	17,276	53,772	122	187,341
Financing cash flows:						
– Advances from bank borrowings	8,500	–	–	–	–	8,500
– Repayment of bank borrowings	(42,500)	–	–	–	–	(42,500)
– Repayments to a related party	–	(10,767)	–	–	–	(10,767)
– Repayments of lease liabilities	–	–	(12,137)	–	–	(12,137)
– Repayment to fellow subsidiaries	–	–	–	(23,967)	–	(23,967)
– Interest paid	(3,623)	(3,594)	(411)	(2,633)	–	(10,261)
– Contribution from third party investors of consolidated investment funds	–	–	–	–	2,988	2,988
– Redemption to third party investors of consolidated investment funds	–	–	–	–	(1,562)	(1,562)
Net gain on financial liabilities arising from consolidated investment funds	–	–	–	–	(33)	(33)
New leases	–	–	1,137	–	–	1,137
Interest expense	3,537	3,404	411	2,633	–	9,985
At 31 December 2024 and 1 January 2025	46,025	25,103	6,276	29,805	1,515	108,724
Financing cash flows:						
– Advances from bank borrowings	169,000	–	–	–	–	169,000
– Repayments of bank borrowings	(181,000)	–	–	–	–	(181,000)
– Advances from a related party	–	60,000	–	–	–	60,000
– Repayments to a related party	–	(62,500)	–	–	–	(62,500)
– Repayments of lease liabilities	–	–	(6,737)	–	–	(6,737)
– Repayment to fellow subsidiaries	–	–	–	(8,029)	–	(8,029)
– Interest paid	(1,830)	(1,559)	(168)	(1,138)	–	(4,695)
– Contribution from third party investors of consolidated investment funds	–	–	–	–	23,697	23,697
– Redemption to third party investors of consolidated investment funds	–	–	–	–	(3,710)	(3,710)
Net gain on financial liabilities arising from consolidated investment funds	–	–	–	–	(2,362)	(2,362)
Deconsolidation	–	–	–	–	(19,140)	(19,140)
New leases	–	–	1,572	–	–	1,572
Interest expense	1,805	1,463	179	1,138	–	4,585
At 31 December 2025	34,000	22,507	1,122	21,776	–	79,405

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

Non-cash transactions

During the year, the Group entered into various lease agreements for the use of leased properties for one to two years (2024: one to three years). On the commencement, the Group recognised right-of-use assets of HK\$1,572,000 (2024: HK\$1,150,000) and lease liabilities of HK\$1,572,000 (2024: HK\$1,137,000).

41. SHARE OPTION SCHEME

The share option scheme was adopted pursuant to an ordinary resolution passed at an annual general meeting of the Company held on 8 June 2018 (the "Share Option Scheme").

The major terms of the Share Option Scheme are summarised as follows:

- (i) The purpose is to provide incentives to:
 - award and retain the participants who have made contributions to CASH and its subsidiaries and associates, including the Group ("CASH Group"); or
 - attract potential candidates to serve the CASH Group for the benefit of the development of the CASH Group.
- (ii) The participants include any employees (whether full time or part time), executives and officers (including executive and non-executive directors) and business consultants, agents and legal and financial advisers of the CASH Group.
- (iii) The maximum number of shares in respect of which options might be granted under the Share Option Scheme must not exceed 10% of the issued share capital of the Company as at the date of approval of the Share Option Scheme and such limit might be refreshed by shareholders in general meeting.
- (iv) The total number of shares available for issue under the Share Option Scheme was 26,117,477 (2024: 26,117,477) shares, representing around 6% (2024: 6%) of the issued share capital of the Company as at the date of this annual report.
- (v) The maximum number of shares in respect of which options might be granted to a participant, when aggregated with shares issued and issuable (including exercised and outstanding options and the options cancelled) under any option granted to the same participant under the Share Option Scheme or any other share option scheme within any 12-months period, must not exceed 1% of the shares in issue from time to time.
- (vi) There is no requirement for a grantee to hold the option for a certain period before exercising the option save as determined by the board of directors of the Company ("Board") and provided in the offer of grant of option.
- (vii) The exercise period should be any period fixed by the Board of the Company upon grant of the option but in any event the option period should not go beyond 10 years from the date of offer for grant. All the terms, including the vesting period, if any, of the grant shall be determined by the Board.
- (viii) The acceptance of an option, if accepted, must be made within 28 days from the date of grant with a non-refundable payment of HK\$1.00 from the grantee to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

41. SHARE OPTION SCHEME (continued)

(ix) The exercise price of an option must be the highest of:

- the closing price of the shares on the date of grant which day must be a trading day;
- the average closing price of the shares for the 5 trading days immediately preceding the date of grant; and
- the nominal value of the share.

(x) The life of the Share Option Scheme is effective for 10 years from the date of adoption until 7 June 2028.

All share-based compensation will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options other than by issuing the Company's ordinary shares.

Share options to the directors, employees and others providing similar services and business consultants, and exercise price are as follows for the reporting periods presented:

Names	Date of grant	Exercise period	Adjusted exercise price (HK\$)	Notes	Number of options ('000)				As at 31 December 2025
					As at 1 January 2025	Granted during the year	Exercised during the year	Lapsed during the year (note (g))	
Directors	14/07/2025	14/07/2025 – 13/07/2027	0.440	(j), (k)	-	14,000	-	-	14,000
Related Entity Participants (note (m))	14/07/2025	14/07/2025 – 13/07/2027	0.440	(j), (k)	-	2,000	-	-	2,000
Related Entity Participants (note (f))	14/07/2025	14/07/2025 – 13/07/2027	0.440	(l)	-	2,500	-	-	2,500
Employee participant (note (d))	14/07/2025	14/07/2025 – 13/07/2027	0.440	(j), (k)	-	1,000	-	-	1,000
Other employee participants (note (e))	14/07/2025	14/07/2025 – 13/07/2027	0.440	(l)	-	6,500	-	-	6,500
Other employee participants (note (e))	29/07/2021	01/08/2021 – 31/07/2025	0.572	(a), (b), (c)	150	-	-	(150)	-
Related Entity Participants (note (f))	29/07/2021	01/08/2021 – 31/07/2025	0.572	(a), (b), (c)	375	-	-	(375)	-
					525	26,000	-	(525)	26,000
Exercisable as at 31 December 2025									17,000
Weighted average exercise price					0.572	0.440	-	0.572	0.440

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

41. SHARE OPTION SCHEME (continued)

Names	Date of grant	Exercise period	Adjusted		As at 1 January 2024	Number of options ('000)			As at 31 December 2024
			exercise price (HK\$)	Notes		Granted during the year	Exercised during the year	Lapsed during the year (note (f))	
Directors	29/07/2021	01/08/2021 – 31/07/2025	0.572	(a), (c)	300	-	-	(300)	-
Other employee participants (note (d))	29/07/2021	01/08/2021 – 31/07/2025	0.572	(a), (b), (c)	450	-	-	(300)	150
Related Entity Participants (note (f))	29/07/2021	01/08/2021 – 31/07/2025	0.572	(a), (b), (c)	750	-	-	(375)	375
					1,500	-	-	(975)	525
Exercisable as at 31 December 2024									-
Weighted average exercise price					0.572	-	0.572	0.572	0.572

Notes:

- (a) The options are vested in 4 tranches as to 25% exercisable from 1 August 2021 to 31 July 2022, 25% exercisable from 1 August 2022 to 31 July 2023, 25% exercisable from 1 August 2023 to 31 July 2024 and 25% exercisable from 1 August 2024 to 31 July 2025 respectively.
- (b) The options are subject to the achievement of agreed milestones/performance indicators and/or business budget plan for the relevant year during the option period as approved by the chairman of the Board and/or the Board determined at their sole discretion.
- (c) The options must be exercised within 1 month from the date on which the Board's approval of the vesting of the options.
- (d) Employee participant is a director of subsidiaries and a fellow subsidiary of the Company.
- (e) Other Employee Participants include employees of the Company and its subsidiaries.
- (f) Related Entity Participants include directors and employees of holding companies, fellow subsidiaries or associated companies of the Company.
- (g) The lapsed options were due to expiry of the options in accordance with the terms of the share options.
- (h) No option was exercised or cancelled during the year.
- (i) At 31 December 2024, there was no satisfactory delivery of services to the Group and thus no share-based compensation expense was recognised in the consolidated financial statements.
- (j) There is no vesting period in respect of the options granted to directors as the Remuneration Committee is (i) of the view that they serve as recognition of the past contributions to the Group's business and (ii) is in line with the overall purpose of attracting, motivating and retaining core talents.
- (k) There is no performance target in respect of the options granted to directors. The number of options granted is based on (i) the past performance and the potential of the directors; (ii) their experiences in the Group's business; and (iii) their contributions to the business development of the Group.
- (l) The vesting period of the options are 12 months from the date of grant (both days inclusive). The granting of the options are subject to (i) the satisfaction of performance targets determined by the Board (including but not limited to, the budget achievement of the Group as a whole, the individual performance appraisal of the employees; and other key performance indicators) or (ii) at the Board's sole discretion.
- (m) Related Entity Participant is a director of CASH, an associate of a substantial shareholder, daughter of Dr Pak Hoo Bankee and sister of Mr Kwan Teng Hin Jeffrey.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

41. SHARE OPTION SCHEME (continued)

The shares options outstanding at 31 December 2025 had a weighted average remaining contractual life of 2 years (2024: 4 years).

During the year ended 31 December 2025, options were granted on 14 July 2025. The estimated fair values of the options granted to director are HK\$0.20 per option. The closing price immediately before the date of grant was HK\$0.455.

These fair values were calculated using the Binomial model. The inputs into the model were as follows:

Weighted average share price	0.44
Exercise price	0.44
Expected volatility	81.60%
Risk-free rate	1.97%

Expected volatility was determined by using the historical volatility of the Group's share price over 2 years.

The Group recognised the total expense of HK\$3,400,000 (2024: HK\$nil) for the year ended 31 December 2025 in relation to the share options granted.

42. SHARE AWARD SCHEME

On 1 December 2022 ("Adoption Date"), the Board adopted a 10-year share award scheme (the "Share Award Scheme") to incentivise selected employees or directors ("Selected Participants") for their contributions to the Group and to attract suitable personnel for further development of the Group.

The major terms of the Share Award Scheme are summarised as follows:

- (i) The purpose and objectives of the Share Award Scheme are:
 - to recognise and motivate the contributions by certain eligible participants and to give incentives thereto in order to retain them for the continual operation and development of any member of the CASH Group;
 - to attract suitable professional personnel beneficial for further growth of any member of the CASH Group; and
 - to provide certain eligible participants with a direct economic interest in attaining a long-term relationship between any member of the CASH Group and such eligible participants.
- (ii) The Share Award Scheme shall be subject to the administration of the Board. The Board may appoint any one or more senior management of the Company as authorised representative(s) to give instructions or notices to the trustee on all matters in connection with the Share Award Scheme and other matters in the routine administration of the trust. The trustee will hold the shares and the income derived therefrom in accordance with the rules of the Share Award Scheme and subject to the terms of the trust deed.
- (iii) The eligible participants include any employees (whether full time or part time) of any member of the CASH Group; any non-executive director of any member of the CASH Group; any adviser (professional or otherwise), consultant to or expert in any area of business or business development of any member of the CASH Group; any agent, contractor, client or supplier of any member of the CASH Group; and any other group or classes of participants who, in the sole opinion of the Board, will contribute or have contributed to any member of the CASH Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

42. SHARE AWARD SCHEME (continued)

- (iv) The Board shall not make any further grant of award of shares under the Share Award Scheme such that the total number of shares granted under the Share Award Scheme (excluding any awards which have lapsed or been cancelled in accordance with the Share Award Scheme) will exceed 10% of the total number of issued shares as of the Adoption Date, i.e. 26,117,477 shares.

There is no maximum entitlement of each participant.

If the relevant purchase would result in the trustee holding in aggregate more than 10% of the total number of issued shares as of the Adoption Date, the trustee shall not purchase any further shares.

- (v) A selected participant shall be entitled to receive the awarded shares held by the trustee in accordance with the vesting schedule when the selected participant has satisfied all vesting conditions specified by the Board at the time of making the award. Vesting of the shares will be conditional on the selected participant remaining an eligible participant until and on each of the relevant vesting dates and his/her execution of the relevant documents to effect the transfer from the trustee.
- (vi) The Board or the authorised representative(s) shall notify the selected participant in writing within 10 business days (or such other day as the Board may otherwise determine) after an award has been provisionally made to such selected participant and the notice shall contain substantially the same information as that set out in the award notice. An award shall be deemed to be irrevocably accepted by a selected participant unless the selected participant shall within 5 business days after receipt of such notice from the Board or the authorised representative(s) notify the Company in writing that he would decline to accept such award.
- (vii) No amount payable on acceptance of the share award.
- (viii) Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date and shall expire on 1 December 2032).
- (ix) The trustee shall not exercise the voting rights in respect of any shares held under the trust (including but not limited to the awarded shares, further shares acquired out of the income derived therefrom, the returned shares, any bonus shares and scrip shares).

During the year ended 31 December 2024, 11,286,000 shares were purchased in May 2024 at a price of HK\$0.2394 and 6,996,000 shares were purchased at a price of HK\$0.2435 in June 2024 by the trustee.

During the year ended 31 December 2025, 18,282,000 shares (2024: nil) were granted under the Share Award Scheme on 15 July 2025 and 22 July 2025. For the shares granted, the fair value of the shares was measured at the market price of the Company's shares, which were HK\$0.375 per awarded share and HK\$0.395 awarded share on 15 July 2025 and 22 July 2025 respectively. For the year ended 31 December 2025, the Group has recognised an equity-settled share-based expenses of HK\$6,982,000 (2024: HK\$nil) for the Share Award Scheme in consolidated statement of profit or loss and other comprehensive income. The closing price of the shares immediately before the dates of the grants were HK\$0.375 per share and HK\$0.395 per share respectively. The Board has approved the grant of the shares and the vesting date to be the same as the date of grant. As at 31 December 2025, no shares (2024: 18,282,000) were held by the trustee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

43. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these consolidated financial statements, the Group had the following transactions with related parties:

	Notes	2025 HK\$'000	2024 HK\$'000
Commission income received from the following directors of the Company:			
Dr Kwan Pak Hoo Bankee		15	3
Mr Kwan Teng Hin Jeffrey		1	1
Mr Law Hin Ong Trevor	(a)	–	5
		16	9
Interest expense payable to a company owned by Dr Kwan Pak Hoo Bankee		–	103
Interest income from Mr Cheung Tsz Yui Morton		40	66
Loan receivable from Mr Cheung Tsz Yui Morton		–	1,950
Loans receivable from senior management personnel		312	624

Notes:

(a) Mr Law Hin Ong Trevor resigned as director of the Company during the year ended 31 December 2024.

Remuneration of key management personnel represents amounts paid to the Company's directors as disclosed in note 11. The remuneration of directors is determined by the performance of individuals and market trends.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

44. SUBSIDIARIES

Details of the Group's material subsidiaries at the end of the respective reporting period are set out below:

Names	Place of incorporation/ operation	Paid up issued share capital	Proportion of issued share capital held by the Company				Principal activities
			2025		2024		
			Direct interest %	Indirect interest %	Direct interest %	Indirect interest %	
CASH Wealth Management Limited	Hong Kong	Ordinary HK\$23,000,000 (2024: HK\$20,000,000)	-	100	-	100	Financial advisory consultancy
CASH Payment Services Limited	Hong Kong	Ordinary HK\$2	-	100	-	100	Provision of payment gateway services
Celestial Asset Management Limited	Hong Kong	Ordinary HK\$6,781,401	-	100	-	100	Provision of treasury management functions and investment holding and trading
Celestial Capital Limited	Hong Kong	Ordinary HK\$30,000,000	-	100	-	100	Inactive
Celestial Finance Limited	Hong Kong	Ordinary HK\$121,000,002	-	100	-	100	Money lending
Celestial Commodities Limited	Hong Kong	Ordinary HK\$60,000,000	-	100	-	100	Brokerage of futures and options
Celestial Securities Limited	Hong Kong	Ordinary HK\$190,000,000	-	100	-	100	Brokerage of securities and equity options
CASH Trinity Buillion Limited	Hong Kong	Ordinary HK\$2	-	100	-	100	Investment holding and trading
CASH Family Office Company Limited	Hong Kong	Ordinary HK\$100	-	100	-	100	Investment holding and trading
Victory Glory Investments Limited	Hong Kong	Ordinary HK\$1	-	100	-	100	Investment trading
Think Right Investments Limited	British Virgin Islands	Ordinary US\$1	-	100	-	100	Properties holding
Celestial Financial Services Limited	British Virgin Islands	Ordinary US\$10,000	100	-	100	-	Investment holding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

44. SUBSIDIARIES (continued)

Names	Place of incorporation/ operation	Paid up issued share capital	Proportion of issued share capital held by the Company				Principal activities
			2025		2024		
			Direct interest %	Indirect interest %	Direct interest %	Indirect interest %	
CASH Mobile Financial Services Limited	Hong Kong	Ordinary HK\$10,000,000	–	100	–	100	Provision of management services for group companies
Celestial (China) Asset Management Limited	British Virgin Islands	Ordinary US\$500,000	–	100	–	100	Investment holding
Weever FinTech Limited	Hong Kong	Ordinary HK\$48,500,000	–	76.1	–	76.1	Inactive
Libra Capital Manager Limited	British Virgin Islands	Ordinary US\$3	–	100	–	100	Investment holding
CFSG China Investment Limited	British Virgin Islands	Ordinary US\$1	–	100	–	100	Investment holding
Golden Riverside Industrial Limited	Hong Kong	Ordinary HK\$102	–	100	–	100	Investment holding
CFSG FinTech Group Limited	British Virgin Islands	Ordinary US\$1	100	–	100	–	Investment holding
上海懿睿股權投資基金管理 有限公司 (translated as Shanghai Yirui Equity Investment Fund Management Company Limited)*	PRC	Ordinary RMB10,000,000	–	100	–	100	Investment holding
CASH Algo Finance Group International Limited	British Virgin Islands	Ordinary US\$100	–	51	–	51	Investment holding and trading
CASH Quant-Finance Lab Limited	Hong Kong	Ordinary HK\$1	–	51	–	51	Investment trading
上海群博資產管理有限公司*	PRC	Registered capital RMB20,000,000	–	51	–	51	Provision of asset management services

* These subsidiaries are limited liability companies established in the PRC. They are indirectly held by the Company through contractual arrangements by the registered owners, being Ms Wei Li (holder of 95% of the equity interests) and Ms Mao Jie (holder of 5% of the equity interests) who are independent from each other.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

44. SUBSIDIARIES (continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. The majority of these subsidiaries operate in Hong Kong. The principal activities of these subsidiaries are either investment holding or inactive.

In addition, the following consolidated investment funds are also subsidiaries for the purpose of Appendix D2 of the Listing Rules. These consolidated funds do not have body corporates and therefore do not have issued share capital.

Names	Place of incorporation/ operation	Proportion of issued share capital held by the Company				Principal activities
		2025		2024		
		Direct interest %	Indirect interest %	Direct interest %	Indirect interest %	
CASH Prime Value Equity OFC [^] (note 45)	Hong Kong	-	-	-	91.3	Investment holding
群博多策略對沖私募證券投資基金	PRC	-	51	-	51	Fund investment

[^] During the year ended 31 December 2024, the directors of the Company concluded that the variable returns the Group exposed to were significant, the Group was primarily acting as a principal and not subject to substantive removal rights held by other parties who may remove the Group as an investment manager. Therefore, the Group consolidated this investment fund. However, during the current year, given change of the interest held by the Group, the directors re-assessed and concluded to de-consolidate this investment fund. Please refer to note 45 for details.

Significant restrictions

Cash and cash equivalents held by subsidiaries in the Mainland China are subject to exchange control restrictions. The carrying amount of these restricted assets in the consolidated financial statements at 31 December 2025 was approximately of HK\$6.17 million (2024: HK\$4.94 million).

45. FINANCIAL LIABILITIES ARISING FROM CONSOLIDATED INVESTMENT FUNDS

The Group had consolidated certain investment funds in accordance with the criteria as set out in note 3 where the Group involved as an investment manager and also as an investor, the Group assesses whether (i) the Group is acting as an agent/principal in these investment; (ii) there are any other external holders in these investment funds which have power to remove or control over the party having the ability to direct the relevant activities of the investment funds based on the facts and circumstances (iii) the combination of investments it held together with its remuneration creates exposure to variability of returns from the activities of the asset management products that is of such significance that it indicates the Group is a principal.

Third-party interests in consolidated investment funds consist of third-party investors' interests in consolidated investment funds which are reflected as a liability since they can be put back to the Group for cash. The realisation of net assets attributable to third-party investors' interests in consolidated investment funds cannot be predicted with accuracy since these represent the interests of third-party unitholders in consolidated investment funds that are subject to the actions of third-party unitholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

45. FINANCIAL LIABILITIES ARISING FROM CONSOLIDATED INVESTMENT FUNDS (continued)

For the year ended 31 December 2025, investment returns of the Group related to interests held by third-party unitholders of gain of HK\$2,362,000 (2024: gain of HK\$33,000) in consolidated investment funds are included in other gains (losses) (note 9) in the consolidated statement of profit or loss and other comprehensive income. During the current year, the Group de-consolidated an investment fund due to decrease in interests held by the Group as an investor which the Group re-assessed the exposure to variability of returns from the activities of the asset management products is no longer of such significant that it indicates the Group is a principal in such fund and therefore de-consolidated such fund. The remaining interest held by the Group on such fund was classified as a financial asset at FVTPL (note 29)) and the Group on the date of de-consolidation. As at 31 December 2024, third party interests held was classified as a financial liability designated at FVTPL with carrying amount of HK\$1,515,000.

46. RETIREMENT BENEFITS SCHEMES

Defined contribution plan

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Both the Group and the employees contribute a fixed percentage of the relevant payroll to the MPF Scheme. The cap of the mandatory contribution amount was HK\$1,500 per employee per month. Where there are employees who leave the Group prior to vesting fully in the voluntary contributions, the contributions payable by the Group are reduced by the amount of forfeited voluntary contributions. None of the forfeited contributions was utilised in this manner for the year ended 31 December 2025 and 2024.

Defined benefit plan

The Group operates various benefits schemes for its full-time employees in the PRC in accordance with the relevant PRC regulations and rules, including provision of housing provident fund, medical insurance, retirement insurance, unemployment insurance, labour injury insurance and pregnancy insurance. Pursuant to the existing schemes, the Group contributes 7%, 12%, 22%, 2%, 0.5% and 0.5% of the basic salary of its employees to the housing provident fund, medical insurance, retirement insurance, unemployment insurance, labour injury and pregnancy insurance respectively.

The employer's contributions to the MPF Scheme and various benefits schemes in the PRC are disclosed separately in notes 10, 11 and 12.

Pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay Long Service Payment ("LSP") to qualifying employees in Hong Kong upon retirement, subject to a minimum of 5 years employment period, based on the following formula:

Last monthly wages (before termination of employment) \times 2/3 \times Years of service

Last monthly wages are capped at HK\$22,500 while the amount of long service payment shall not exceed HK\$390,000. This obligation is accounted for as a post-employment defined benefit plan.

Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group's mandatory MPF contributions, plus/minus any positive/negative returns thereof (collectively, the "Eligible Offset Amount"), for the purpose of offsetting LSP payable to an employee (the "Offsetting Arrangement"). The Employment & Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 was gazetted on 17 June 2022, which will eventually abolish the Offsetting Arrangement. The Amendment will come into effect prospectively from a date to be determined by the Hong Kong SAR Government, which is expected to be in 2025 (the "Transition Date"). Under the amended Ordinance, the Eligible Offset Amount after the Transition Date can only be applied to offset the pre-Transition Date LSP obligation but no longer eligible to offset the post-Transition Date LSP obligation. Furthermore, the LSP obligations before the Transition Date will be grandfathered and calculated based on the Last monthly wages immediately preceding the Transition Date.

The Group's LSP obligation, taking into consideration of the Offsetting Arrangement, is considered to be insignificant and no provision has been recognised as at 31 December 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

47. STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

(a) Statement of financial position of the Company

	2025 HK\$'000	2024 HK\$'000
Non-current assets		
Unlisted investments in subsidiaries	22,410	22,410
Amounts due from subsidiaries	394,078	367,772
	416,488	390,182
Current assets		
Prepayments, deposits and other receivable	594	2,397
Bank balances (general accounts)	145	372
	739	2,769
Current liabilities		
Accrued liabilities and other payables	694	694
Amounts due to subsidiaries	286,273	241,760
Amounts due to fellow subsidiaries	21,776	29,805
	308,743	272,259
Net current liabilities	308,004	269,490
Non-current liability		
Loan from a related party	22,507	25,103
Net assets	85,977	95,589
Capital and reserves		
Share capital	17,247	17,247
Reserves	68,730	78,342
Total equity	85,977	95,589

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2025

47. STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY (continued)

(b) Reserves movement of the Company

	Share premium	Contributed surplus	Shares held for share award	Share award reserve	Share option reserve	Retained earnings (accumulated loss)	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2024	74,420	80	-	-	-	71,485	145,985
Loss and total comprehensive	-	-	-	-	-	(63,238)	(63,238)
Purchase of share held for the share award scheme	-	-	(4,405)	-	-	-	(4,405)
As at 31 December 2024	74,420	80	(4,405)	-	-	8,247	78,342
Loss and total comprehensive expense for the year	-	-	-	-	-	(19,994)	(19,994)
Recognition of equity-settled share-based payments under share award scheme	-	-	-	6,982	-	-	6,982
Transfer of share award upon vesting	2,577	-	4,405	(6,982)	-	-	-
Recognition of equity-settled share-based payments under share option scheme	-	-	-	-	3,400	-	3,400
31 December 2025	76,997	80	-	-	3,400	(11,747)	68,730

APPENDIX I – FIVE-YEAR FINANCIAL SUMMARY

RESULTS

	Year ended 31 December				
	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000 (restated)	2022 HK\$'000 (restated)	2021 HK\$'000 (restated)
Revenue	67,255	50,768	58,365	73,658	102,901
Loss before taxation	(38,273)	(31,543)	(92,137)	(53,853)	(51,474)
Income tax (expense) credit	(3,637)	1,814	(2,494)	(4,135)	(4,489)
Loss for the year	(41,910)	(29,729)	(94,631)	(57,988)	(55,963)
Attributable to:					
Owners of the Company	(38,528)	(35,102)	(95,247)	(63,775)	(54,741)
Non-controlling interests	(3,382)	5,373	616	5,787	(1,222)
	(41,910)	(29,729)	(94,631)	(57,988)	(55,963)

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

	As at 31 December				
	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000 (restated)	2021 HK\$'000 (restated)
Property and equipment	3,817	10,294	20,547	32,298	25,713
Intangible assets	4,041	4,041	4,041	9,092	9,092
Other non-current assets	15,094	15,475	37,284	37,633	44,307
Current assets	698,616	684,115	807,226	1,105,961	1,567,536
Total assets	721,568	713,925	869,098	1,184,984	1,646,648
Current liabilities	496,118	462,170	593,435	826,905	1,342,730
Non-current liabilities	37,182	34,685	19,796	26,612	73,780
Total liabilities	533,300	496,855	613,231	853,517	1,416,510
Net assets	188,268	217,070	255,867	331,467	230,138
Non-controlling interests	8,048	10,290	4,671	4,916	(80,755)

Note: The Group has applied AG5 to account for business combination under common control for the year ended 31 December 2023 and retrospective adjustments have been made. The financial information for the assets and liabilities of 2022 and 2021 and the results of 2022 and 2021 have been restated accordingly.

DEFINITIONS

In this annual report, the following expressions have the following meanings unless the context requires otherwise:

“AGM(s)”	the annual general meeting(s) of the Company
“Audit Committee”	the audit committee of the Company established pursuant to the CG Code of the Listing Rules
“Board”	the board of Directors
“CAFG” or “CAFG Group”	CASH Algo Finance Group International Limited, a company incorporated in the British Virgin Islands with limited liability, and its subsidiaries, which are principally engaged in algorithmic trading business
“CASH”	Celestial Asia Securities Holdings Limited (stock code: 1049), a company incorporated in Bermuda with limited liability and its shares are listed on the Main Board. It is the holding company of the Company indirectly held through CIGL
“CASH Asset Management”	CASH Asset Management Limited, a company incorporated in Hong Kong with limited liability, is a wholly-owned subsidiary of the Company. It is a licensed corporation under the SFO which is engaged in type 9 (asset management) regulated activity
“CASH Group”	CASH and its subsidiaries, including the Group
“Cash Guardian”	Cash Guardian Limited, a company incorporated in the British Virgin Islands with limited liability, is the substantial shareholder of CASH and an associate of Dr Kwan Pak Hoo Bankee
“CASH Wealth Management”	CASH Wealth Management Limited, a company incorporated in Hong Kong with limited liability, is a wholly-owned subsidiary of the Company. It is a licensed corporation under the SFO which is engaged in types 1 (dealing in securities), 4 (advising on securities) and 9 (asset management) regulated activities
“Celestial Commodities”	Celestial Commodities Limited, a company incorporated in Hong Kong with limited liability, is a wholly-owned subsidiary of the Company. It is a licensed corporation under the SFO which is engaged in type 2 (dealing in futures contracts) regulated activity
“Celestial Securities”	Celestial Securities Limited, a company incorporated in Hong Kong with limited liability, is a wholly-owned subsidiary of the Company. It is a licensed corporation under the SFO which is engaged in type 1 (dealing in securities) regulated activity
“CEO”	the chief executive officer of the Company
“CFO”	the chief financial officer of the Company
“CG Code”	the Corporate Governance Code as contained in the Listing Rules
“CIGL”	Celestial Investment Group Limited, a company incorporated in the British Virgin Islands with limited liability, is an indirect wholly-owned subsidiary of CASH. It is the holding company of the Company
“Company” or “CFSG”	CASH Financial Services Group Limited (stock code: 510), a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board. It is a 64.47% – owned listed subsidiary of CASH
“Company Secretary”	the company secretary of the Company

DEFINITIONS

“COO”	the chief operating officer of the Company
“Director(s)”	the directors of the Company
“ED(s)”	the executive Director(s) of the Company
“Group”	the Company and its subsidiaries
“INED(s)”	the independent non-executive Director(s) of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board of the Stock Exchange
“Management”	the management team of the Company
“Model Code”	the required standards of dealings regarding securities transactions by Directors or the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Listing Rules
“NED(s)”	the non-executive Director(s) of the Company
“Nomination Committee”	the nomination committee of the Company established pursuant to the CG Code of the Listing Rules
“Remuneration Committee”	the remuneration committee of the Company established pursuant to the CG Code of the Listing Rules
“SFC”	the Hong Kong Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM(s)”	the special general meeting(s) of the Company
“Share(s)”	ordinary shares of HK\$0.04 each in the share capital of the Company
“Share Option Scheme”	the existing share option scheme of the Company adopted by the Company pursuant to an ordinary resolution passed at an AGM held on 8 June 2018
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“Hong Kong” or “HKSAR”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“UK”	United Kingdom
“US”	United States

If there is any inconsistency in this report between the Chinese and English versions, the English version shall prevail.



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