

vanke

Vanke Overseas Investment Holding Company Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01036)

2025

Annual Report

Contents

Corporate Information	2
Biographical Details of Directors	3
Management Discussion and Analysis	5
Report of the Directors	22
Corporate Governance Report	31
Independent Auditor's Report	44
Consolidated Statement of Profit or Loss	50
Consolidated Statement of Profit or Loss and Other Comprehensive Income	51
Consolidated Statement of Financial Position	52
Consolidated Statement of Changes in Equity	54
Consolidated Cash Flow Statement	55
Notes to the Financial Statements	56
List of Subsidiaries	109
List of Properties	111
Five-Year Financial Summary	112

Corporate Information

BOARD OF DIRECTORS

Executive Directors

SUN Jia (*Chairman*)

YIP Hoi Man (*Chief Executive Officer and alternate to Mr. Sun Jia*)

DING Changfeng

Non-Executive Director

Han Huihua

Independent Non-Executive Directors

CHING Hiu Yuen

CHOI Fan Wai

ZHANG Anzhi

AUDIT COMMITTEE

CHOI Fan Wai (*Chairman*)

CHING Hiu Yuen

ZHANG Anzhi

REMUNERATION COMMITTEE

ZHANG Anzhi (*Chairman*)

YIP Hoi Man

CHOI Fan Wai

NOMINATION COMMITTEE

CHING Hiu Yuen (*Chairman*)

SUN Jia (resigned with effect from 19 December 2025)

Yip Hoi Man

(appointed with effect from 19 December 2025)

ZHANG Anzhi

COMPANY SECRETARY

LAI Ivy

AUDITOR

KPMG

(*Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance*)

LEGAL ADVISORS TO THE COMPANY

Reed Smith Richards Butler LLP (*as to Hong Kong law*)

Maples and Calder (Hong Kong) LLP

(*as to Cayman Islands law*)

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited

REGISTERED OFFICE

P.O. Box 309, Ugland House

Grand Cayman KY1-1104

Cayman Islands

PRINCIPAL PLACE OF BUSINESS

Room A, 43rd Floor, Bank of China Tower

1 Garden Road

Central

Hong Kong

INVESTORS RELATIONS CONTACT

Telephone: (852) 2309 8888

Fax: (852) 2328 8097

Email: vkoverseas.ir@vanke.com

WEBSITE

<http://www.vankeoverseas.com>

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Shops 1712–1716, 17th Floor, Hopewell Centre

183 Queen's Road East

Wan Chai

Hong Kong

Biographical Details of Directors

EXECUTIVE DIRECTORS

Mr. Sun Jia, aged 48, was appointed an Executive Director and the Chairman of the Vanke Overseas Investment Holding Company Limited (the “Company”, together with its subsidiaries, the “Group”) in November 2021. Mr. Sun joined China Vanke Co., Ltd. (“China Vanke”), a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (stock code: 2202) and a controlling shareholder of the Company in 2007, and became the general manager of its strategy and investment management department in 2008. In 2010, he was appointed as the general manager of Xi’an Vanke Company Limited. He had been the general manager of Shanghai Vanke Company Limited since 2012, and was appointed as a Vice President of China Vanke in 2015. In March 2016, he was appointed as the Executive Vice President, the Supervisor of Finance and the Chief Financial Officer of China Vanke. In May 2019, he was appointed as the Chief Partner and Chief Executive Officer of Southern Regional Business Group, and Chief Partner of Shenzhen Vanke of China Vanke. He is currently the General Manager of the Commercial Business Unit and the Chief Executive Officer of SCPG Business Unit of China Vanke. Mr. Sun graduated from the School of Economics, Peking University with a bachelor’s degree in 2001. In 2007, he graduated from Harvard Business School with a master’s degree in business administration.

Ms. Yip Hoi Man, aged 43, was appointed as the Chief Executive Officer of the Company and an Executive Director in August 2023, and as an alternate Director to Mr. Sun Jia in May 2024. She is also a member of the Remuneration Committee and Nomination Committee of the Company. Ms. Yip joined Vanke Property (Hong Kong) Company Limited (“VPHK”) in 2014 and has been responsible for the finance, taxation and internal control related matters. Since December 2017, Ms. Yip has successively held the positions of Financial Controller, Chief Financial Officer and Company Secretary (the “Company Secretary”) of the Company. Apart from her position of Chief Executive Officer and Executive Director of the Company, she is currently also the General Manger of the Overseas Business Unit of China Vanke, the managing director of VPHK, and a director of various subsidiaries of the Company and various subsidiaries of China Vanke. Prior to joining VPHK, Ms. Yip worked at Deloitte Touche Tohmatsu for 9 years. Ms. Yip graduated with a bachelor’s degree of business administration and accounting and finance in 2004 from the University of Hong Kong. Ms. Yip is a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Ding Changfeng, aged 56, was appointed an Executive Director of the Company in May 2022. Mr. Ding joined China Vanke in 1992. In January 2000, he was appointed as the general manager of Shanghai Vanke Company Limited and became the Vice President of China Vanke in 2001. In November 2005, he became the general manager of Northern Regional Business Group of China Vanke. In December 2020, he was appointed as the Chief Partner of the Hotels and Vacation Business Unit of China Vanke. He is currently a director of various subsidiaries and associated companies of China Vanke. Mr. Ding graduated from the School of International Politics with a bachelor’s degree in 1991 and a master’s degree in global economics in 1998, both from Peking University.

NON-EXECUTIVE DIRECTOR

Ms. Han Huihua, aged 43, was appointed a Non-Executive Director of the Company in August 2023. Ms. Han joined China Vanke in 2008, and successively held positions of business manager, assistant general manager and vice general manager of finance and internal control department, and central partner of financial management functions in the management center of China Vanke. Ms. Han has been serving as the Executive Vice President and the head of finance of China Vanke since March 2020. Currently, she also serves as a shareholder representative supervisor of Onewo Inc. (a company listed on the Stock Exchange, stock code: 2602). Ms. Han graduated from the University of Science and Technology of China with a bachelor’s degree in administration in 2003, and Jiangxi University of Finance and Economics with a master’s degree in administration (majoring in accounting) in 2008. Ms. Han is a non-practising member of the Chinese Institute of Certified Public Accountants.

Biographical Details of Directors *(continued)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ching Hiu Yuen, aged 59, was appointed an Independent Non-Executive Director of the Company in May 2024. He is also the Chairman of the Nomination Committee and a member of the Audit Committee of the Company. Mr. Ching has over 20 years of professional experience in investment management, investment banking and corporate banking with China focus. Mr. Ching is currently a senior managing director in CITIC Capital Holdings Limited (“CITIC Capital”), a managing partner and a co-head of CITIC Capital Real Estate Group. Prior to joining CITIC Capital, he has worked in the HSBC Group from 1998 to 1999, Societe Generale Asia (Hong Kong and Shanghai) from 1996 to 1998, and Industrial Bank of Japan (Hong Kong Branch) from 1994 to 1996. Mr. Ching received a bachelor degree of arts in accounting from the University of West Florida in 1990, and a master degree of science in finance from Temple University in 1994. He also received a diploma in Chinese laws from Peking University in 2000.

Mr. Choi Fan Wai, aged 56, was appointed an Independent Non-Executive Director of the Company in May 2021. He is also the Chairman of the Audit Committee and a member of the Remuneration Committee. Mr. Choi has more than 30 years of experience in the audit and financial services industry. Mr. Choi worked for Deloitte Touche Tohmatsu since January 1998 and was admitted as a partner of Deloitte Touche Tohmatsu in June 2005 until December 2006. Mr. Choi has also profound professional experience in asset management services, including through his prior work at JP Morgan Asset Management, a subsidiary of JP Morgan Chase & Co. (a company whose shares are listed on the New York Stock Exchange, ticker symbol: JPM), from 2007 to 2008, Elmore Capital Limited (a formerly licensed corporation under the Securities and Futures Ordinance (the “SFO”)) which was subsequently restructured to become Wolver Hill Asset Management Asia Limited (a licensed corporation under the SFO), between 2009 and 2017, and Crowe (HK) CPA Limited from 2017 to 2020. Mr. Choi is currently a director, a responsible officer and a partner of AIM Capital Consortium Limited (a licensed corporation under the SFO). Mr. Choi graduated from The Hong Kong Polytechnic University with a bachelor’s degree of arts in accountancy in 1991. He is currently a fellow member of Hong Kong Institute of Certified Public Accountants and a fellow member of Institute of Chartered Accountants in England and Wales.

Mr. Zhang Anzhi, aged 54, was appointed an Independent Non-Executive Director of the Company in March 2019. He is also the Chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company. Mr. Zhang has extensive experience in investment banking, corporate finance, investment and general management. Mr. Zhang worked at Deutsche Bank Aktiengesellschaft from 2009 to 2018, during which period he served in various management positions and his last position was a managing director and vice chairman of Greater China Corporate Finance. Prior to that, he worked at Merrill Lynch (Asia Pacific) Limited from 2004 to 2009 and his last position was a director and the Head of Corporate Finance China. Before joining Merrill Lynch, Mr. Zhang worked at J.P. Morgan plc and HSBC as an investment banker.

Management Discussion and Analysis

BUSINESS REVIEW

Overview

Year 2025 was poised to be a year of transition and cautious recovery for Hong Kong's property market. As the drag from high interest rates diminished and policy support took hold, market sentiment improved which led to higher transaction volumes and a moderate uptick in prices in the residential sector in Hong Kong. While the residential sector staged a notable recovery in 2025, the commercial property market in Hong Kong faced continued headwinds. Despite a tale of two markets, the Group's diversified portfolio spanning residential properties for sale and commercial rental properties, delivered stable performance during 2025.

During the year ended 31 December 2025 (the "Year"), the Group recorded a loss attributable to the shareholders of the Company for the year of approximately HK\$92.3 million (2024: HK\$50.5 million).

During the year, the Group continued to hold equity interests in various properties in Hong Kong (collectively, the "Investments"). These Investments are summarised as follows:

Location/project	Effective interest	Segment	Type	Status
Various units and car park spaces of Regent Centre 63 Wo Yi Hop Road and 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong ("Regent Centre")	100%	Property investment	Industrial	Leasing stabilised
62, 64, 66 and 68 Chun Yeung Street, Hong Kong ("The Stellar")	100%	Serviced apartments and hotel	Serviced apartments and hotel	Operation stabilised
No. 221-233 Yee Kuk Street, Sham Shui Po, Hong Kong ("Bondlane I")	100%	Property development	Residential	Completed
Sha Tin Town Lot No. 643, located at Hin Wo Lane, Sha Tin, New Territories, Hong Kong ("UNI Residence")	50%	Property development	Residential	Under development

Management Discussion and Analysis *(continued)*

BUSINESS REVIEW *(continued)*

Overview *(continued)*

During the year under review, the Group's revenue is derived from (i) the leasing of units and car parking spaces in Regent Centre; (ii) the leasing of hotel rooms and serviced apartments in The Stellar; (iii) sales of residential units; and (iv) provision of asset management services (the "Management Services"). Revenue for the year was approximately HK\$596.7 million (2024: HK\$775.5 million), representing a decrease of approximately 23%. The decrease was mainly due to (i) the decrease in Bondlane I's sold units handed over to the buyers during the year; and (ii) the decrease in revenue generated from the asset management services as VPHK Parties (as defined in the section headed "Continuing Connected Transactions" below) reduced their invested capital in relevant projects in Hong Kong, the United Kingdom (the "UK") and the United States of America (the "US").

The Group's investment in Regent Centre was at a fair value of HK\$1,874.1 million as at 31 December 2025 (31 December 2024: HK\$1,954.6 million). There has been no change in the valuation methodology of the Group's investment properties. The fair value loss amounted to approximately HK\$80.5 million (2024: fair value gain of HK\$9.9 million). Further details of the fair value loss is disclosed in note 11(b) to the financial statements in this Annual Report.

Asset management

The Group provides Management Services to the VPHK Parties with respect to VPHK Parties' projects in Hong Kong, the UK and the US. In return, the Management Services fees were charged by the Group calculated at (i) 1.25% per annum of the total capital of the relevant projects invested by VPHK Parties in the UK and the US; and (ii) 1.8% per annum of the total capital of the relevant projects invested by VPHK Parties in Hong Kong. Revenue from the provision of Management Services during the year amounted to approximately HK\$166.8 million (2024: HK\$180.9 million), representing a decrease of approximately 8%. The decrease was due to the reduced total capital invested by the VPHK Parties in the relevant projects located in Hong Kong, the UK and the US during the year.

Segment profit from the provision of Management Services decreased to approximately HK\$35.4 million for the year ended 31 December 2025 (2024: HK\$45.2 million), representing a decrease of approximately 22%. The decrease was mainly due to (i) the decrease in revenue generated from the Management Services as VPHK Parties reduced their invested capital in relevant projects in Hong Kong, the UK and the US; but which was offset by (ii) a decrease in direct operating expenses of the asset management teams.

Property investment

The Group's investment properties comprise various portions of Regent Centre, which is located at 63 Wo Yi Hop Road and 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong. A portion of Regent Centre was disposed by the Group during the year. As at 31 December 2025, the Group owned a total gross floor area of approximately 623,000 square feet (2024: 623,000 square feet), representing 60% (2024: 60%) of the total gross floor area of Regent Centre.

Occupancy rate of Regent Centre was 93% as at 31 December 2025 (31 December 2024: 94%) and monthly passing rent was HK\$8.7 per square foot as at 31 December 2025 (31 December 2024: HK\$9.3 per square foot). Apart from monthly rent, the tenants are responsible for the payment of a property management fee to the landlord, whose income has been accounted for as part of the revenue of the Group. Total revenue from the leasing of units and car parking spaces during the year was approximately HK\$88.8 million (2024: HK\$92.8 million), representing a decrease of approximately 4%. The decrease was mainly due to the decrease in average passing rent during the year.

Segment profit before change in fair value of investment properties of the Group amounted to approximately HK\$61.3 million for the year (2024: HK\$50.2 million), representing an increase of approximately 22%. The increase was mainly due to the decrease in interest expenses as the bank loan was fully repaid during the prior year.

Management Discussion and Analysis *(continued)*

BUSINESS REVIEW *(continued)*

Property development

The Group's property development projects comprise (i) investment in the development of the West Rail Tsuen Wan West Station TW6 property development project (the "TW6 Project" and also known as "The Pavilia Bay"); (ii) investment in Mission which has been disposed of during the year; (iii) the development of Bondlane I; and (iv) investment in the development of the UNI Residence.

One of the Group's property development projects is the investment in Ultimate Vantage Limited ("Ultimate Vantage"), an associate of the Group in which the Group holds 20% equity interests thereof. Ultimate Vantage is a special purpose vehicle established in January 2013 for the development of The Pavilia Bay. Up to the date hereof, all units have been sold at gross proceeds of approximately HK\$10.1 billion and all of the sold units of The Pavilia Bay have been handed over to the buyers.

Gold Value Limited ("Gold Value"), an associate of the Group in which the Group holds 20% equity interests thereof, was formed by the Group and the joint venture partner in Ultimate Vantage (the "TW6 Partner") in November 2016 for the purpose of providing first and second mortgage financing to the buyers of the TW6 Project on market terms. Finance for the business of Gold Value is provided by the Group and the TW6 Partner by way of interest-bearing shareholder's loans on a several basis and in proportion to each parties' shareholding interests in Gold Value.

The Group's total investment in Ultimate Vantage and Gold Value (collectively, the "TW6 Associates"), comprising the share of net assets of the Group in the TW6 Associates as well as an amount due from Gold Value, amounted to approximately HK\$21.0 million as at 31 December 2025 (31 December 2024: HK\$28.5 million). The decrease in total investment of the Group during the year was mainly due to partial repayment of amount due from Gold Value of approximately HK\$7.5 million (out of the repayment of mortgages by the buyers of The Pavilia Bay to Gold Value).

During the year, another property development project of the Group included the investment in 657-667 Mission Street Venture LLC, an associate of the Group in which the Group holds 45% equity interests thereof, and its subsidiaries (collectively, the "Mission Street Group"). The Mission Street Group owned Mission (with a total gross floor area of approximately 155,000 square feet) until November 2025.

During the year, the Group had shared a loss of HK\$46.0 million (2024: HK\$51.4 million) from Mission Street Group. The Mission Street Group has disposed of Mission during the year.

The Group owns the entire equity interest in Bondlane I which is a redevelopment project to redevelop the site located at No. 221-233 Yee Kuk Street, Sham Shui Po, Hong Kong into residential properties. The Group completed the redevelopment in 2024 in accordance with the development plan. As at 31 December 2025, 122 units out of 158 units in Bondland I have been sold at gross proceeds of approximately HK\$848.6 million and 107 sold units have been handed over to the buyers.

The Group also owns 50% effective interest in the UNI Residence. The site located at Hin Wo Lane, Shatin, Hong Kong is being developed into residential properties and is under development during the year in accordance with the development plan. As at 31 December 2025, 127 units out of 240 units in UNI Residence have been pre-sold at gross proceeds of approximately HK\$674.6 million. During the year, the Group had shared a loss of HK\$10.8 million (2024: HK\$0.2 million) from UNI Residence, primarily due to the write-down of UNI Residence to net realisable value.

Segment loss amounted to approximately HK\$93.2 million for the year (2024: HK\$181.9 million), representing a decrease of approximately 49%. The decrease was mainly due to the combined effect of (i) the decrease in net loss arising from Bondlane I as less sold units were handed over to the buyers during the year; (ii) the write-down of Bondlane I to net realisable value during the prior year but not during the year; which was offset by (iii) the increase in loss shared from UNI Residence during the year.

Management Discussion and Analysis *(continued)*

BUSINESS REVIEW *(continued)*

Serviced apartments and hotel

During the year, the Group's serviced apartments and hotel comprised The Stellar. The Group owns the entire equity interest in The Stellar.

Average occupancy rate of The Stellar amounted to approximately 83% (2024: 87%) with average room rate at HK\$926 during the year (2024: HK\$938). The revenue generated from The Stellar during the year amounted to approximately HK\$46.9 million (2024: HK\$48.9 million).

Segment profit amounted to approximately HK\$4.2 million for the year (2024: HK\$7.4 million), representing a decrease of 43%. The decrease was mainly due to (i) the decrease in revenue generated from The Stellar during the year; and (ii) the increase in operating expenses during the year.

Head office and corporate expenses

Head office and corporate expenses, net of unallocated income, were approximately HK\$9.2 million during the year (2024: HK\$7.6 million). The increase was mainly due to the increase in staff costs as a result of an increase in headcount of head office.

Finance income

Finance income for the year amounted to approximately HK\$11.3 million (2024: HK\$19.7 million), comprising interest income on bank deposits and bank balances of HK\$10.6 million (2024: HK\$18.6 million) and interest income on shareholders' loans due from Gold Value amounted to approximately HK\$0.7 million (2024: HK\$1.1 million). The decrease in finance income was mainly due to the decrease in bank interest rates during the year.

FINANCIAL REVIEW

Liquidity and financial resources

Equity attributable to shareholders of the Company amounted to approximately HK\$4,105.6 million as at 31 December 2025 (31 December 2024: HK\$4,221.3 million). The decrease was due to the deficit attributable to the shareholders of the Company for the year of HK\$92.3 million and a payment of 2024 final dividend of HK\$23.4 million.

The Group had no interest-bearing loans and banking facilities as at 31 December 2025 (31 December 2024: nil). The Group's lease liabilities of approximately HK\$18.2 million as at 31 December 2025 (31 December 2024: HK\$28.6 million) were denominated in Hong Kong dollars and were arranged on a fixed rate basis.

As at 31 December 2025, the debt-to-equity ratio of the Company, which is calculated by dividing interest-bearing bank and other borrowings by total equity of the Group, was 0.4% (31 December 2024: 0.7%). The ratio of net debts (interest-bearing bank and other borrowings net of bank balances and cash) divided by total equity was nil (31 December 2024: nil).

The Group's bank balances and cash amounted to HK\$686.4 million as at 31 December 2025 (31 December 2024: HK\$457.2 million). Regent Centre and The Stellar are free from encumbrances for the time being which can be leveraged to raise funds and bring in additional cash resources to the Group as and when required. Taking these into account, it is expected that the Group should have sufficient working capital for its current requirements.

Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Risk of fluctuations in exchange rates

As the Group operates in Hong Kong, the US and the UK, all its assets and liabilities are denominated in Hong Kong dollar, the US dollar and pound sterling. The Group will monitor the foreign exchange exposures and take appropriate measures from time to time in order to minimise the Group's foreign exchange exposures.

Capital commitments

The Group had no contractual commitment as at 31 December 2025 (31 December 2024: nil).

Contingent liabilities and financial guarantees

As at 31 December 2025, a joint venture company indirectly held as to 50% by the Company engaging in the business of property development has been granted with term loan facilities of HK\$744.6 million (31 December 2024: HK\$744.6 million), of which HK\$264.4 million (31 December 2024: HK\$314.8 million) has been utilised, which is subject to a guarantee given by the Company, in accordance with the relevant joint venture agreement, to the bank for up to 50% (31 December 2024: 50%) of the fund drawn down.

Pledge of assets

There was no pledge on the Group's assets as at 31 December 2025 (31 December 2024: nil).

Significant investments held, material acquisitions and disposals of subsidiaries and associates

There were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries and associates by the Group during the year.

The Group had no specific plan for material investments or capital assets as at 31 December 2025.

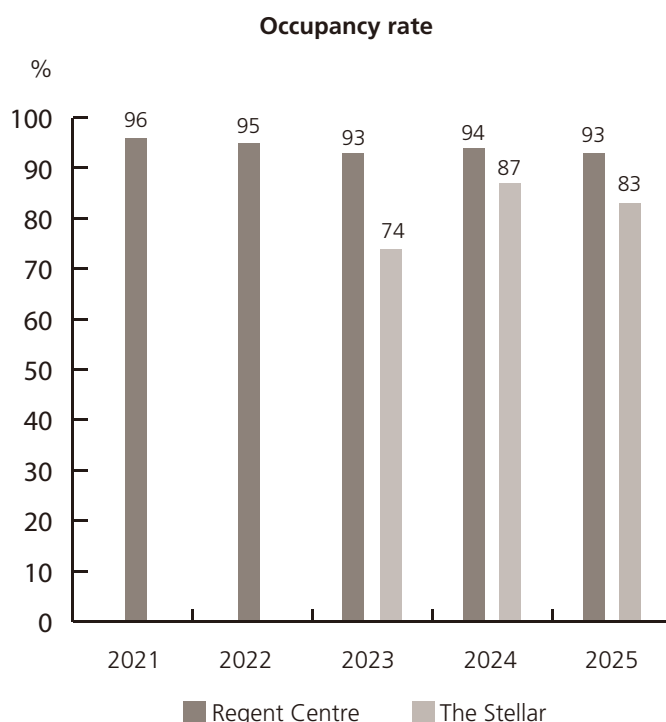
Management Discussion and Analysis *(continued)*

Key performance indicators (“KPIs”)

The directors of the Company (the “Directors”) manage the business of the Group through a number of KPIs as below.

(i) *Occupancy rates of Regent Centre and The Stellar*

- Definition and calculation: Occupancy rate is a measure of leasing performance. Occupancy rate for Regent Centre is defined as gross floor area that have been rented out as a percentage of total gross floor area available for renting whereas occupancy rate for The Stellar is defined as the average number of rooms sold as a percentage of the number of rooms available.
- Purpose: Occupancy rate is a key driver in maintaining revenue.
- Source of underlying data: Internal company data.
- Quantified KPI data: The graph below shows (i) the year-end occupancy rate of Regent Centre in the last five years (the “Relevant Period”) – 2021: 96%, 2022: 95%, 2023: 93%, 2024: 94%, 2025: 93%; and (ii) the average occupancy rate of The Stellar for each the financial year since it began operation in September 2023 – 2023: 74%, 2024: 87%, 2025: 83%.
- Development in 2025: The occupancy rate of Regent Centre remained stable during the year. The lower average occupancy rate for The Stellar during the year was due to the decrease in overnight guests during the year.



- No changes have been made to the source of data or calculation methods used over the periods shown.

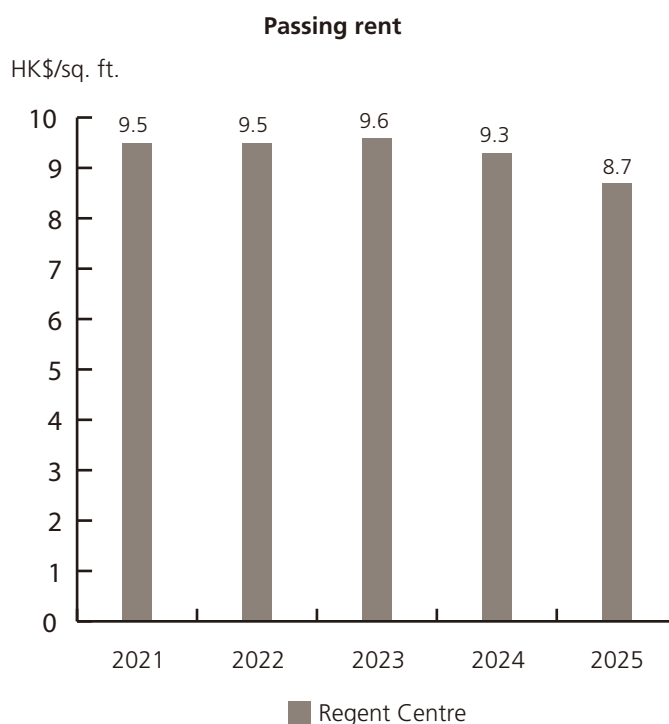
Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Key performance indicators (“KPIs”) *(continued)*

(ii) *Passing rent of Regent Centre*

- Definition and calculation: Passing rent is another measure of leasing performance. It is defined as the average rental rate of existing tenancies weighted by gross floor area.
- Purpose: Passing rent is a key driver in achieving revenue growth.
- Source of underlying data: Internal company data.
- Quantified KPI data: The graph below shows the passing rent of Regent Centre at the end of each financial year during the Relevant Period – 2021: HK\$9.5 per sq. ft., 2022: HK\$9.5 per sq. ft., 2023: HK\$9.6 per sq. ft., 2024: HK\$9.3 per sq. ft., 2025: HK\$8.7 per sq. ft.
- Development in 2025: The decrease was due to the lower passing rent with new tenants during the year.



- No changes have been made to the source of data or calculation methods used over the periods shown.

Management Discussion and Analysis *(continued)*

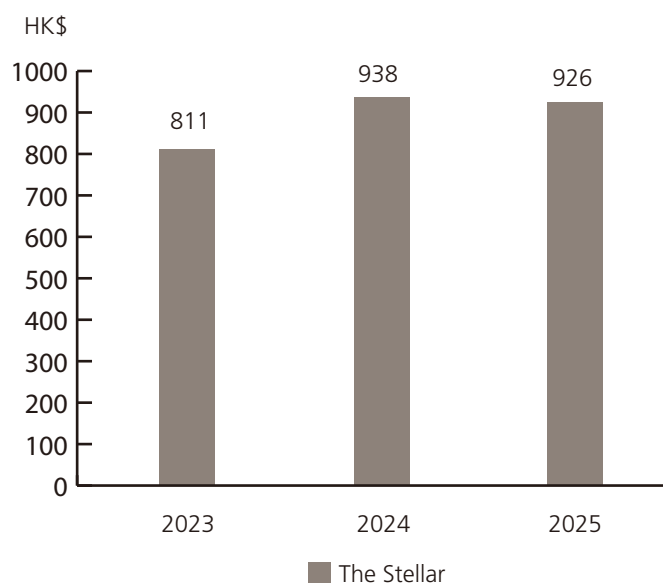
FINANCIAL REVIEW *(continued)*

Key performance indicators (“KPIs”) *(continued)*

(iii) Average room rate of The Stellar

- Definition and calculation: average room rate is another measure of leasing performance. It is defined as the revenue generated from The Stellar weighted by the number of room nights sold.
- Purpose: Average room rate is a key driver in achieving revenue growth.
- Source of underlying data: Internal company data.
- Quantified KPI data: The graph below shows the average room rate for The Stellar for each the financial year since it began operation in September 2023 – 2023: HK\$811, 2024: HK\$938, 2025: HK\$926.
- Development in 2025: The average room rate for The Stellar remained stable during the year.

Average Room Rate



- No changes have been made to the source of data or calculation methods used over the periods shown.

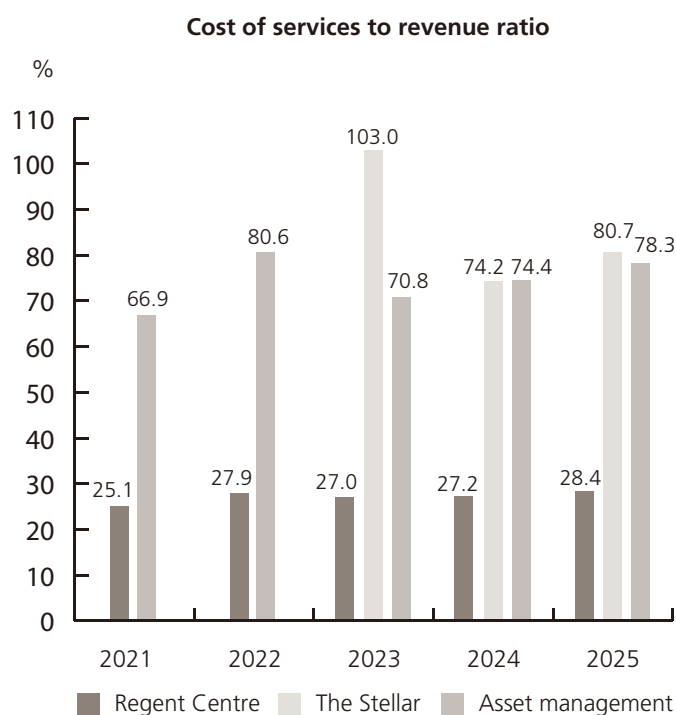
Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Key performance indicators (“KPIs”) *(continued)*

(iv) Cost of services to revenue ratio

- Definition and calculation: Cost of services to revenue ratio measures the operation efficiency by expressing cost of services as a percentage of revenue.
- Purpose: It is a cost control tool, which reflects the direct cost incurred in generating every dollar of revenue.
- Source of underlying data: Figures from the financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).
- Quantified KPI data: The graph below shows the cost of services to revenue ratio for (i) Regent Centre during the Relevant Period – 2021: 25.1%, 2022: 27.9%, 2023: 27.0%, 2024: 27.2%, 2025: 28.4%; (ii) The Stellar for each the financial year since it began operation in September 2023 – 2023: 103.0%, 2024: 74.2%, 2025: 80.7%; and (iii) asset management business during the Relevant Period – 2021: 66.9%, 2022: 80.6%, 2023: 70.8%, 2024: 74.4%, 2025: 78.3%.
- Development in 2025: The increase in cost of services to revenue ratio for Regent Centre was due to the decrease in average passing rent during the year. The increase in cost of services to revenue ratio for The Stellar was due to (i) the decrease in revenue generated from The Stellar during the year; and (ii) the increase in operating expenses during the year. The increase in cost of services to revenue ratio for the provision of Management Services was due to the reduced total capital invested by the VPHK Parties in the relevant projects located in Hong Kong, the UK and the US during the year.



- No changes have been made to the source of data or calculation methods used over the periods shown.

Management Discussion and Analysis *(continued)*

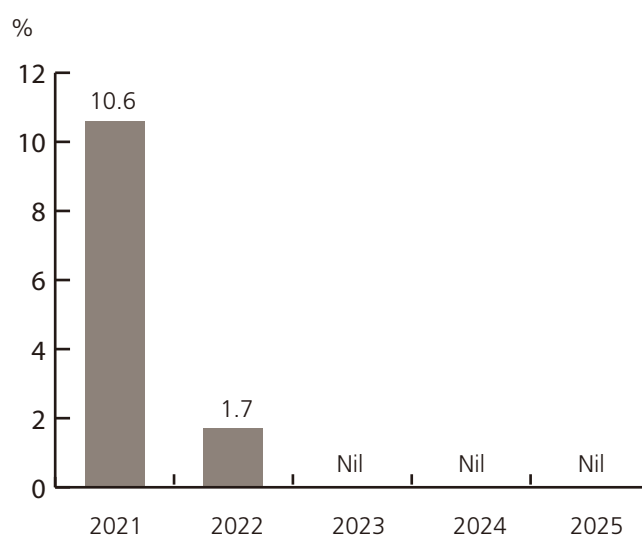
FINANCIAL REVIEW *(continued)*

Key performance indicators (“KPIs”) *(continued)*

(v) **Gearing ratio**

- Definition and calculation: Gearing ratio is a measure of financial leverage, demonstrating the degree to which the Group’s activities are funded by interest-bearing debts. It is calculated by first subtracting the bank balances and cash from total interest-bearing debts and then dividing the figure by equity attributable to shareholders of the Company.
- Purpose: The Group carefully manages its gearing ratio to strike a balance of obtaining funds through debt financing while maintaining its financial health.
- Source of underlying data: Figures from the financial statements prepared in accordance with IFRS Accounting Standards and HKFRSs.
- Quantified KPI data: The graph shows below the gearing ratio of the Group at the end of each financial year during the Relevant Period – 2021: 10.6%, 2022: 1.7%, 2023: nil, 2024: nil, 2025: nil.
- Development in 2025: There was no change during the year.

Gearing ratio



- No changes have been made to the source of data or calculation methods used over the periods shown.

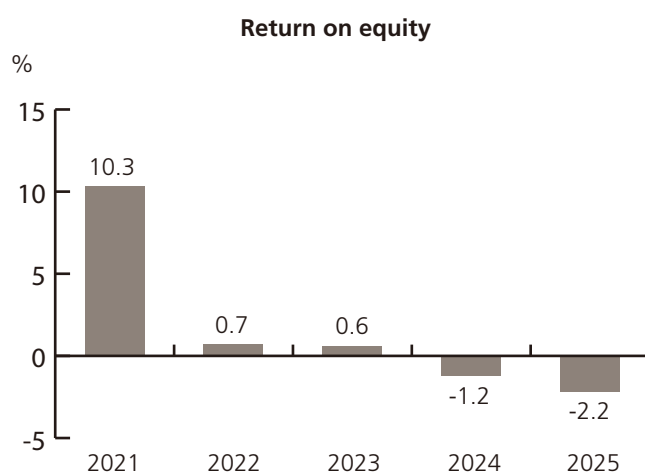
Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Key performance indicators (“KPIs”) *(continued)*

(vi) Return on equity

- Definition and calculation: Return on equity measures the efficiency of the Group at generating profits from each dollar of shareholder equity. It is calculated by dividing profit attributable to shareholders of the Company by average shareholders’ equity.
- Purpose: The Group aims to satisfy shareholders’ expectation by delivering a stable return on equity.
- Source of underlying data: Figures from the financial statements prepared in accordance with IFRS Accounting Standards and HKFRSs.
- Reconciliation of financial statement information: Average shareholders’ equity = Weighted average of share capital and share premium during the year + (Opening balance of other reserves plus closing balance of other reserves)/2
- Quantified KPI data: The graph shows below the return on equity of the Group at the end of each financial year during the Relevant Period – 2021: 10.3%, 2022: 0.7%, 2023: 0.6%, 2024: -1.2%, 2025: -2.2%.
- Development in 2025: The increase in negative return on equity was mainly due to the fair value loss arising from Regent Centre during the year.



- No changes have been made to the source of data or calculation methods used over the periods shown.

Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Principal risks and uncertainties

The Group's businesses, results of operations, financial conditions and prospects are subject to risks and uncertainties, which may or may not be controlled by the Group. The factors below set out those risks and uncertainties, which in the opinion of the Directors principally affect the Group's businesses, results of operations, financial conditions or prospects. Such factors are by no means exhaustive. There may be other risks and uncertainties which are not identified for the time being or turn out to be material in the future.

(i) Economic conditions and property market in Hong Kong

As from 31 December 2025, part of the Group's revenue and operating profit will be derived from the leasing and selling of the properties in Hong Kong. As a result, the performance of the Group is currently susceptible to the economic conditions in Hong Kong, particularly the performance of its property market. Any adverse changes in the social, political, economic and legal environments in the relevant markets, unfavorable government policies on the property market, increase in supply of properties, global financial crisis or interest rate hikes may adversely affect the relevant property market. These factors are beyond the control of the Group and, may adversely affect the revenue and profitability of the Group and thus the value of the Group's properties.

(ii) Business partners

The leasing and management of the units and car parking spaces in Regent Centre and the leasing and management of the rooms in The Stellar are conducted by independent service providers under close supervision of the Group's management. However, there can be no assurance on the performance of the leasing agent. Any underperformance of the leasing agent may potentially lead to drop in property occupancy and passing rent, chances of inadequate property maintenance and/or repairs of damaged property facilities and increased tenant dissatisfaction, resulting in an adverse impact on revenue and profitability of the Group and thus the value of Regent Centre and The Stellar.

In addition, our business partners may have economic or business interests or goals that are inconsistent with those of the Group, take action contrary to the Group's policies and objectives, be unable or unwilling to fulfil their contractual obligations or cease to provide services out of their own accord. These factors may result in an adverse impact on the Group's businesses, results of operations, financial conditions or prospects.

(iii) Financial resources to fund property acquisitions

Property development and property investment are capital intensive. The Group's ability to obtain funding for property acquisition and development is dependent on a number of factors such as general economic conditions, the Group's financial performance, willingness of banks to lend and/or investors to invest and monetary policies in Hong Kong, which are predominately beyond the control of the Group. As a result, there can be no assurance that the Group will obtain funding from the capital or debt markets on commercially reasonable terms or at all. This may potentially lead to increased funding costs and perhaps an inability to capitalise on potential investment opportunities.

(iv) Staff continuity

The operation of the Group will continue to be dependent on the services of its employees. Competition for skilled and experienced workforce is intense in the property industry. Any significant staff turnover with no suitable replacements being identified in a timely manner may cause disruption to the Group's businesses. The ability of the Group to expand may also be hindered if the Group is unable to identify, hire, train and retain suitably skilled and qualified employees for its businesses.

Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Principal risks and uncertainties *(continued)*

(v) Reputation risk

The Group may be involved from time to time in dispute with various parties in the development, leasing and management of the Group's properties, including contractors, suppliers, property managers, tenants and the joint venture partners. The operation of the Group is also subject to compliance of applicable external rules, regulations, laws and standards. Any non-compliance with law or dispute with stakeholders may potentially result in damage to the Group's reputation, disruption to the Group's businesses, financial loss and diversion of resources and management attention.

(vi) Competing interests

At present, China Vanke has two investment platforms for its property businesses in Hong Kong, namely (a) the Group, in which China Vanke has an indirect shareholding interest of 75%, and (b) VPHK, in which China Vanke has an indirect shareholding interest of 100%.

Mr. Sun Jia, an Executive Director and Chairman of the Company, is also the General Manager of the Commercial Business Unit, and the Chief Executive Officer of SCPG Business Unit of China Vanke. Ms. Yip Hoi Man, an Executive Director and Chief Executive Officer of the Company, is also the General Manager of the Overseas Business Unit of China Vanke, the managing director of VPHK and a director of various subsidiaries of China Vanke. Ms. Han Huihua, a Non-Executive Director of the Company, is also the Executive Vice President and the head of finance of China Vanke. As a result, the Group and VPHK may compete with each other in their property businesses in Hong Kong.

For the environmental, social and governance risks, please refer to the separately published environmental, social and governance report of the Company for the year ended 31 December 2025.

The Group has formulated a risk management policy having considered the requirements regarding internal control contained in the Corporate Governance Code contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). A risk management system has been established to provide the Board of Directors (the "Board") and the management an effective oversight of the risks the Group is facing, promote accountability across the organisation and ensure efficient controls are in place to mitigate the top risks the Group is facing. Key risk indicators have also been established for the purpose of enhancing the Board's oversight of key risk exposures, monitoring fluctuations in the levels of risk exposure and contributing to the early warning signals that enable the Company to report risks, prevent crises and take mitigation measures in time.

Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Environmental policies

The Group is committed to building a better environment by adopting an environmental-friendly approach in its business operation. The Group is committed to complying with all applicable environmental laws and regulations in conducting its business. The Group aims to reduce emissions and optimise resources utilisation in its operation through the following approaches:

- (i) enhancing the efficiency of use of resources in the Group's business operation;
- (ii) adopting the use of energy-efficient equipment across the Group's properties and offices;
- (iii) encouraging employees to minimise their daily use of resources such as electricity;
- (iv) engaging tenants to adopt environmental-friendly initiatives to minimise their use of resources such as water and electricity consumption;
- (v) providing support to tenants on environmental-friendly practices, for example, provision of recycling facilities;
- (vi) encouraging contractors and/or service providers to adopt environmental-friendly practices in their design, services and products;
- (vii) undertaking property development projects which is conducive to environmental protection and to obtain environmental certification such as BEAM Plus, LEED, China GBL, and other equivalent green building labels, where practicable; and
- (viii) encouraging responsible investment by taking sustainability considerations into the Group's investment decisions, where practicable.

The Group favours service providers, contractors, suppliers and business partners who follow environmental-friendly practices in providing their design, services and products and will continue to promote environmental awareness among the Group's key stakeholders, including tenants, business partners, shareholders and employees, through ongoing communication and engagement.

During the year, the Group was not aware of any environmental laws or regulations that might have a material impact on the property development, property rental and management business of the Group or any non-compliance with any relevant environmental laws that might have a significant impact on the businesses of the Group. For more details of the sustainability policies, please refer to the Environmental, Social and Governance Report 2025 of the Company.

Compliance with laws and regulations

During the year, the Group was not aware of any non-compliance with any relevant laws and regulations including the laws of Hong Kong and the Cayman Islands that might have a significant impact on the businesses of the Group.

Management Discussion and Analysis *(continued)*

FINANCIAL REVIEW *(continued)*

Relationship with suppliers, customers and employees

Suppliers

The Group appoints external service providers in respect of the leasing and management of its owned premises and car parking spaces in Regent Centre (the “Property Managers”). Common areas and common facilities in Regent Centre are managed by an independent third party estate manager (the “Estate Manager”) pursuant to a deed of mutual covenant and management agreement dated 24 March 1997. The Property Managers and the Estate Manager are familiar with the tenancy and property management affairs in Regent Centre, as they have been entrusted with such responsibilities since the completion of development of the project in 1996. Relationship with the Property Managers and the Estate Manager dated back to July 2012 when China Vanke became the controlling shareholder of the Company. The Group works closely with the Property Managers and the Estate Manager on all tenancy and property management affairs, including sourcing and assessment of tenants, rental receivable management and general property maintenance. In addition, regular meetings are held to facilitate two-way communications.

The Group appoints an external service provider to act as the property manager of The Stellar (the “TS Property Manager”) since the soft opening of The Stellar in September 2023. The Group focuses on all major strategies and initiatives such as leasing (terminations, renewals, identification of new tenants) and equipment improvements, whereas the TS Property Manager provides staff on site and manages general property accounting and maintenance. The Group also engages leasing agents for sourcing guests and tenants. In addition, regular meetings are held between the TS Property Manager and the leasing agents to maintain constant communication/alignment of tasks.

Customers

The tenants in Regent Centre are the Group’s key customers. The Group is committed to providing quality services to its customers. During the year, the Group maintained active dialogue with the Property Managers and the Estate Manager and carried out independent customer satisfaction survey on all aspects of property management and leasing affairs in Regent Centre. A customer service hotline has also been established for the tenants of Regent Centre to voice their comments, feedback and complaints to the Group.

The guests and tenants of The Stellar are the Group’s key customers. The Group, through its onsite staff and the TS Property Manager, maintains active dialogue with the guests and tenants during their stay as well as any other necessary discussions that need to take place on an ad hoc basis. A customer service hotline has also been established for the guests and tenants of The Stellar to voice their comments, feedback and complaints to the Group.

The buyers of Bondlane I are also the Group’s key customers. The Group is committed to providing quality products to its customers. During the year, the Group delivered quality products to the buyers of Bondlane I in accordance with the comprehensive handover procedures established by the Group. A customer service hotline has also been established for the buyers of Bondlane I to voice their comments, feedback and complaints to the Group.

The key customers of the Group’s Management Services are the subsidiaries of China Vanke. With the established relationship with China Vanke, the Group continues to be the core Management Services provider of China Vanke.

Employees

The Group values its employees and encourages its staff to achieve a good work-life balance. Staff turnover rate was 16% in 2025 (2024: 15%). The average length of services of the employees in the Group, since the change of controlling shareholder of the Company to China Vanke in July 2012, was 4.7 years (31 December 2024: 3.7 years) as at 31 December 2025.

Management Discussion and Analysis *(continued)*

EMPLOYEES AND REMUNERATION POLICY

The Group had 82 employees as at 31 December 2025 (31 December 2024: 93). Staff costs (including directors' emoluments) decreased to approximately HK\$104.5 million (2024: HK\$114.4 million) during the year.

The executive directors periodically review the adequacy of the staffing of the Group by reference to the Group's business requirements. Should there be employees recruited under the Group, their remuneration and benefit packages will be structured on market terms with regard to individual responsibility and performance. All eligible employees in Hong Kong are enrolled to a defined mandatory provident fund scheme. Other employment benefits are awarded at the discretion of the Group.

OUTLOOK

2026 is expected to be a year of cautious optimism for Hong Kong's property market. It will likely mark the end of the downturn and the beginning of a new and stable property cycle. While a sharp rebound is unlikely due to ample supply, the combination of lower interest rates, resilient rental demand, and improved affordability should create a supportive environment for price stabilisation.

The Board anticipates that in 2026, the residential price is forecast to rebound with lower borrowing costs and improved buyer sentiment. The Group will continue to prioritise maintaining a healthy and stable financial position to capture future market opportunity. Meanwhile, in order to facilitate business growth and development of the Group, the Group remains open to good investment opportunities and thereby creating value for all the shareholders as a whole.

The Group's investment properties in Hong Kong, Regent Centre, are expected to be able to maintain the occupancy rate and the passing rent in 2026. The serviced apartments and hotel, The Stellar, is expected to maintain the occupancy rate and the average room rate in 2026. The sales of residential properties for Bondlane I is expected to continue contributing revenue to the Group upon the handover of the sold units to the buyers in 2026. Last but not least, the Group's asset management business is expected to generate stable revenue and profit in 2026.

Management Discussion and Analysis *(continued)*

FINAL DIVIDEND

Dividend Policy

The Company adopts a general dividend policy that aims to provide shareholders of the Company with a reasonable dividend payout to the extent practicable.

In proposing the final dividend, the Board has taken into account, inter alia:

- the Group's actual and expected financial performance;
- the interests of its shareholders as a whole;
- retained earnings and distributable reserves of the Company and each of the other members of the Group;
- the level of the Group's debts to equity ratio, return on equity and financial covenants to which the Group is subject;
- any restrictions on payment of dividends by the Company to its shareholders or by the Company's subsidiaries to the Company;
- the Group's expected working capital requirements and future expansion plans;
- liquidity position and future commitments at the time of declaration of dividend;
- taxation considerations;
- possible effects on the Group's creditworthiness;
- 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 Group; and
- other factors that the Board deems appropriate.

Any dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the exclusive benefit of the Company until claimed subject to and in accordance with the Company's Articles of Association.

Any dividends unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company subject to and in accordance with the Company's Articles of Association.

Recommendation

The Board recommend the payment of a final dividend of HK\$0.20 per share (2024: HK\$0.06 per share). Subject to the passing of the relevant resolution at the annual general meeting of the Company to be held on 18 June 2026 (the "2026 AGM"), the proposed final dividend will be payable to the shareholders of the Company on 9 July 2026.

Gratitude

I would like to take this opportunity to express my sincere gratitude to all employees for their steadfast dedication and diligence in ensuring the Group's operations and providing high quality services in the past remarkably difficult year. I would also like to thank my fellow directors for their continuous contribution and guidance and all our shareholders, stakeholders, business partners and customers for their support.

On behalf of the Board

Sun Jia

Chairman and Executive Director

Hong Kong, 31 March 2026

Report of the Directors

The Directors have pleasure in submitting their report and the audited financial statements for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The names, particulars and principal activities of its subsidiaries are set out on pages 109 to 110 of the Annual Report.

BUSINESS REVIEW

A discussion and analysis of the Group's performance, including a discussion of the principal risks and uncertainties facing the Group, can be found in the Management Discussion and Analysis set out on pages 5 to 20 of the Annual Report. The said discussion and analysis forms part of this directors' report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 50 and the consolidated statement of profit or loss and other comprehensive income on page 51 of the Annual Report.

During the Board meeting on 31 March 2026, the Directors recommended a final dividend for the year ended 31 December 2025 of HK\$0.20 per share totalling approximately HK\$77,906,000 (2024: HK\$0.06 per share totalling approximately HK\$23,372,000), which will be payable on 9 July 2026 if approved by the shareholders at the 2026 AGM.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in the Cayman Islands being the jurisdiction in which the Company was incorporated.

SHARE CAPITAL

There was no movement in the share capital of the Company during the year.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 54 of the Annual Report and note 22(a) to the financial statements respectively.

DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, the balance in the share premium account is distributable. Accordingly, total distributable reserves of the Company amounted to HK\$1,832,162,000 as at 31 December 2025 (2024: HK\$1,892,297,000).

CHARITABLE DONATIONS

No charitable donation was made by the Group during the year (2024: HK\$19,000).

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors

Sun Jia (*Chairman*)

Yip Hoi Man (*Chief Executive Officer and alternate to Mr. Sun Jia*)

Ding Changfeng

Non-Executive Director

Han Huihua

Independent Non-Executive Directors

Ching Hiu Yuen

Choi Fan Wai

Zhang Anzhi

Report of the Directors *(continued)*

DIRECTORS *(continued)*

Ms. Yip Hoi Man, Mr. Ding Changfeng and Ms. Han Huihua retired by rotation pursuant to Article 116 of the Company's Articles of Association and were re-elected as Directors at the annual general meeting of the Company held on 13 June 2025 (the "2025 AGM").

Pursuant to Article 116 of the Company's Articles of Association, Mr. Sun Jia, Mr. Choi Fan Wai and Mr. Zhang Anzhi are due to retire by rotation at the 2026 AGM and, being eligible, will offer themselves for re-election at the 2026 AGM.

None of the Directors has a service contract with the Company which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN EQUITY OR DEBT SECURITIES

As at 31 December 2025, the interests or short positions of the Directors in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO as recorded in the register kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

(a) Interests in the Company

Name of Director	Number of ordinary shares held					Total interests	Percentage of issued share capital
	Interest held as beneficial owner	Interest held by spouse	Interest held by controlled corporations	Other interests	Number of underlying shares held under equity derivatives		
Ching Hiu Yuen	-	374,000	-	-	-	374,000 (Note 1)	0.09601%

Note:

1. The total number of ordinary shares of the Company in issue as at 31 December 2025 was 389,527,932.

Report of the Directors *(continued)*

DIRECTORS' INTERESTS IN EQUITY OR DEBT SECURITIES *(continued)*

(b) Interests in associated corporations

Name of Director	Name of associated corporation	Type of shares	Number of ordinary shares held					Total interests	Percentage of issued share capital
			Interest held as beneficial owner	Interest held by spouse	Interest held by controlled corporations	Other interests	Number of underlying shares held under equity derivatives		
Sun Jia	China Vanke	A shares	-	5,800	-	-	-	5,800 (Note 1)	0.00006%
Han Huihua	China Vanke	A shares	141,000	-	-	-	-	141,000 (Note 1)	0.00145%
Ching Hiu Yuen	Onewo Inc.	H shares	12,000	-	-	-	-	12,000 (Note 1)	0.00103%

Note:

1. The total number of ordinary A shares of China Vanke in issue as at 31 December 2025 was 9,724,196,533 and the total number of ordinary H shares of Onewo Inc. in issue as at 31 December 2025 was 1,168,053,129. The percentage of issued share capital shown above is calculated based on the number of issued shares in the relevant class alone, without taking into account the issued share capital of the other classes.

All the interests in the shares disclosed under this section represent long position in the shares of the Company or its associated corporations (as the case may be). Save as disclosed herein, as at 31 December 2025, none of the Directors or any of their spouses or children aged under eighteen years of age had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be recorded in the register kept by the Company under section 352 of the SFO or which was required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to a business partnership scheme adopted by China Vanke in 2014, certain employees of the China Vanke and its subsidiaries (the "China Vanke Group") and the Group have been admitted as business partners entrusting part of their bonuses into a collective account (the "collective bonuses") for investment management by Shenzhen Yang'an Financial Advisory Limited, including the introduction of leveraged finance for investment. All business partners in the scheme have undertaken that the collective bonuses and derivative assets will be centralised under closed-end management, without any payment to specific individuals, before the release of the contingent obligation requiring the return of the collective bonuses. An investment management and holding agreement was executed by all business partners. Mr. Sun Jia, Ms. Yip Hoi Man, Mr. Ding Changfeng and Ms. Han Huihua are beneficiaries in the scheme.

Save for the above, at no time during the year was the Company or any of its subsidiaries or the Company's holding company or a subsidiary of the Company's holding company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The Company and its subsidiaries did not have any share scheme in force during the year.

Report of the Directors *(continued)*

SUBSTANTIAL SHAREHOLDERS

Apart from the interests or short positions of the Directors in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as disclosed in the section "Directors' Interests in Equity or Debt Securities", the register kept under section 336 of the SFO (the "Register") shows that as at 31 December 2025 the Company has been notified of the following interests or short positions in the shares of the Company:

Name of substantial shareholder	Long position/ short position	Capacity of interest	Total number of shares in which the shareholder is interested	Percentage of shareholding
China Vanke (Note 1)	Long position	Held by controlled corporations	292,145,949	75.0%
CITIC Securities Company Limited (Note 2)	Long position	Held by controlled corporations	30,080,000	7.72%

Notes:

- As recorded in the Register, the 292,145,949 ordinary shares of the Company are held by China Vanke through Wkland Investments Company Limited, which is an indirect wholly-owned subsidiary of China Vanke. Wkland Investments Company Limited is a direct wholly-owned subsidiary of Wkland Limited. Wkland Limited is a direct wholly-owned subsidiary of VPHK. VPHK is a direct wholly-owned subsidiary of Shanghai Vanke Enterprise Company Limited. Shanghai Vanke Enterprise Company Limited is a direct wholly-owned subsidiary of Shanghai Vanke Investment and Management Company Limited. Shanghai Vanke Investment and Management Company Limited is a direct wholly-owned subsidiary of China Vanke.
- As recorded in the Register, the 30,080,000 ordinary shares of the Company are held by CSI Capital Management Limited, which is a direct wholly-owned subsidiary of CITIC Securities International Company Limited, which in turn is a wholly-owned subsidiary of CITIC Securities Company Limited.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this Annual Report, the Initial Prescribed Threshold (as defined in the Listing Rules) of 25% is applicable to the Company, namely that 25% of the Company's total number of issued shares (excluding treasury shares) must be listed on the Stock Exchange and held by the public (the "Applicable Public Float"). Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company maintained the Applicable Public Float in compliance with the Listing Rules during the year and as at the latest practicable date prior to the issue of this Annual Report.

INDEMNITY OF DIRECTORS

The Articles of Association of the Company provides that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour, or in which he/she is acquitted.

The Company has taken out and maintained directors' liability insurance throughout the year, which provides appropriate cover for the directors of the Company and its subsidiaries.

Save for the above, during the year ended 31 December 2025, the Company was not aware of any permitted indemnity provision in force for the benefit of one or more (existing or former) directors of the Company (whether entered into by the Company or not) or its associated companies (as if made by the Company).

Report of the Directors *(continued)*

MANAGEMENT CONTRACTS

On 16 December 2022, the Group renewed the agreement relating to the sharing of administrative services with VPHK on a cost basis for a period of three years taking effect and commencing from 1 January 2023, which is terminable by either party on giving no less than one month's notice. Total fees received/receivable from VPHK for such services amounted to HK\$3,480,000 for the year (2024: HK\$3,523,000).

DIRECTORS' INTERESTS IN CONTRACTS

As disclosed in the section "Management Contracts", the Company entered into contracts with VPHK in relation to the sharing of administrative services on a cost basis. In addition, as disclosed in the section headed "Continuing Connected Transactions" below, the Group, VPHK and certain other indirect wholly-owned subsidiaries of China Vanke entered into a management services framework agreement for provision of asset management services by the Group to VPHK and certain of its subsidiaries (including other subsidiaries of China Vanke). The Company is an indirect 75%-owned subsidiary of VPHK, which in turn is an indirect wholly-owned subsidiary of China Vanke. Mr. Sun Jia (through his spouse) and Ms. Han Huihua have beneficial interests in the issued shares of China Vanke.

Save as disclosed above, no contracts of significance were entered into between the Company or any of its subsidiaries and the Company's holding company or a subsidiary of the Company's holding company, nor were there any contracts of significance in relation to the Group's businesses in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Set out below is information disclosed pursuant to Rule 8.10(2) of the Listing Rules.

Apart from the interests of the Directors in China Vanke as disclosed in the section headed "Directors' Interests in Equity or Debt Securities – Interests in associate corporations" in this report, the following Directors are also directors and/or officers of China Vanke and/or its subsidiaries and affiliates as set out in the table below.

Name of Director	Position held in China Vanke and/or its subsidiaries and affiliates
Sun Jia	The General Manager of the Commercial Business Unit and the Chief Executive Officer of SCPG Business Unit of China Vanke
Yip Hoi Man	The General Manager of the Overseas Business Unit of China Vanke, the managing director of VPHK and a director of various subsidiaries of China Vanke
Han Huihua	The Executive Vice President and the head of finance of China Vanke

At present, the Group owns property development and investment projects in Hong Kong. VPHK, an indirect wholly-owned subsidiary of China Vanke, and its subsidiaries (excluding the Group) (the "VPHK Group") also own property development and investment projects in Hong Kong. Depending on circumstances, either the Group or VPHK Group participates in acquisitions of land or property development projects in Hong Kong from the Hong Kong Government or entities controlled by the Hong Kong Government through public auction or tender on a sole basis or by way of a joint venture arrangement with independent third parties, or acquire property development and investment projects in Hong Kong and the US on a sole basis or by way of a joint venture arrangement.

Report of the Directors *(continued)*

DIRECTORS' INTERESTS IN COMPETING BUSINESSES *(continued)*

Each of Mr. Sun Jia, Ms. Yip Hoi Man and Ms. Han Huihua holds managerial positions in certain subsidiaries or business units of China Vanke. Ms. Yip Hoi Man is a common director of the Company and VPHK. Mr. Sun Jia (through his spouse) and Ms. Han Huihua have beneficial interests in the issued shares of China Vanke.

Mr. Ching Hiu Yuen, Mr. Choi Fan Wai and Mr. Zhang Anzhi, the independent non-executive Directors, do not participate in the routine business of VPHK. The independent non-executive Directors, with the assistance of the financial controller and the Company Secretary, exercise due care and skills in ensuring that the Group is capable of carrying on its business at arm's length and independently from VPHK.

Save as disclosed above, the Directors were not (i) aware of any other business of China Vanke which competes or is likely to compete, either directly or indirectly, with the Group's businesses; or (ii) aware that any of them had interests in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group which would fall to be discloseable under the Listing Rules.

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 31 December 2025, the aggregate of amount of the Group's financial assistance given to and guarantee given for facilities granted to Gold Value and Champion Estate (HK) Limited ("Champion HK", the joint venture company incorporated for the purpose of the development of UNI Residence), affiliated companies of the Company as defined under the Listing Rules, amounted to approximately HK\$745 million, which exceeded 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules.

Details are set out as follows:

	Note	HK\$ million
Amount due from Gold Value	(a)	20
Loan to Champion HK	(b)	353
Guarantee given for facilities granted to Champion HK	(c)	372
Total		<u>745</u>

(a) *The balance is unsecured, interest-bearing at Hong Kong Prime Rate minus 2.1% per annum. The balance of approximately HK\$1 million is expected to be recovered within one year, while the remaining balance of approximately HK\$19 million will be recovered after one year.*

(b) *The balance is unsecured, interest-free and will be recovered after one year.*

(c) *The guarantee is provided by the Company for term loan facilities granted by a bank, an independent third party of the Company, to Champion HK on a several basis in proportionate to the shareholding interest of the Company in Champion HK.*

Report of the Directors *(continued)*

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES *(continued)*

Pursuant to Rule 13.22 of the Listing Rules, a proforma combined statement of financial position of those affiliated companies with financial assistance from the Group and the Group's attributable interest in those affiliated companies as at 31 December 2025 are set out as follows:

	Proforma combined statement of financial position HK\$ million	Group's attributable interest HK\$ million
Non-current assets	73	15
Properties under development	1,212	606
Current assets	419	199
Current liabilities	(137)	(67)
Non-current liabilities	(1,569)	(755)
Net assets	(2)	(2)

The proforma combined statement of financial position of the affiliated companies is prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies and re-grouping into significant classification in the statement of financial position, as at 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year. As at 31 December 2025, the Company does not hold any treasury shares.

UPDATE ON DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

There has been no change to the information of the Directors since the date of the issuance of the interim report of the Company for the six months ended 30 June 2025 which is required to be disclosed in this annual report pursuant to Rule 13.51B(1) of the Listing Rules, save and except for the following:

Mr. Ding Changfeng no longer serves as the Chief Partner of the Hotels and Vacation Business Unit of China Vanke.

The biographical details of Directors are set out in the section headed "Biographical Details of Directors" of this report.

Report of the Directors *(continued)*

CONTINUING CONNECTED TRANSACTIONS

On 26 October 2022, Vanke Overseas Management Holding Company Limited, Vanke Holdings (Hong Kong) Company Limited (“VOI HK”), Vanke Overseas UK Management Limited and Vanke US Management LLC (“VOI US”) (collectively the “VOI Parties”) and Vanke Holdings USA LLC (“Vanke US”), VPHK and Chogori Investment (Hong Kong) Limited (collectively the “VPHK Parties”) entered into a management services framework agreement, pursuant to which the Group would provide asset management services to VPHK and certain of its subsidiaries (including other subsidiaries of China Vanke which may become interested in any real estate development and/or investment projects in Hong Kong, the US and the UK) (the “Old Management Services Framework Agreement”). The Management Services Framework Agreement became effective on 1 January 2023 and has a term up to 31 December 2025.

Each of the VOI Parties is a subsidiary of the Company. VPHK, an indirect wholly-owned subsidiary of China Vanke, is an intermediate holding company of the Company. Each of the VPHK Parties is an indirect wholly-owned subsidiary of China Vanke. Therefore, each of the VPHK Parties is a connected person of the Company under Chapter 14A of the Listing Rules.

Pursuant to the Old Management Services Framework Agreement, the annual cap for the transactions thereunder for the period from 1 January 2025 to 31 December 2025 was HK\$300 million.

During the year ended 31 December 2025, the Group generated revenue of approximately HK\$166.8 million from the transactions under the Old Management Services Framework Agreement.

For details of the Old Management Services Framework Agreement, please refer to the Company’s announcement dated 26 October 2022 and circular dated 23 November 2022 in relation to the New Management Services Framework Agreement.

Since certain of the parties to the Old Management Services Framework Agreement wished to continue carrying out the transactions thereunder upon its expiration, on 28 October 2025, Vanke Best Company Limited, VOI HK and VOI US, and Vanke US and VPHK entered into a new management services framework agreement (the “New Management Services Framework Agreement”) in anticipation of the expiration of the Old Management Services Framework Agreement on 31 December 2025. The New Management Services Framework Agreement became effective on 1 January 2026 until 31 December 2028.

For details of the New Management Services Framework Agreement, please refer to the Company’s announcement dated 28 October 2025 and circular dated 1 December 2025 in relation to the New Management Services Framework Agreement.

The Independent Non-executive Directors of the Company have reviewed and confirmed that the transactions entered into under the Old Management Services Framework Agreement for the year ended 31 December 2025 have been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) in accordance with the relevant agreement governing such transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company’s auditor was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing findings and conclusion according to Rule 14A.56 of the Listing Rules, which confirmed that for the aforesaid continuing connected transactions, nothing has come to the auditor’s attention that causes them to believe that: (i) the disclosed continuing connected transactions have not been approved by the Board; (ii) the transactions were not, in all material respects, in accordance with the pricing policies of the Group; (iii) the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and (iv) the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

Report of the Directors *(continued)*

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, revenue from sales of goods or rendering of services attributable to the Group's five largest customers accounted for 33.4% of the total revenue for the year and revenue from the largest customer included therein amounted to 28.0%. Purchases from the Group's five largest suppliers accounted for less than 30.0% of the total purchases for the year.

At no time during the year have the Directors, their close associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in these major customers and suppliers.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into during the year or subsisted at the end of the year.

BANK LOAN AND OTHER BORROWINGS

The Group had outstanding other interest-bearing borrowings of HK\$18.2 million as at 31 December 2025 (31 December 2024: HK\$28.6 million).

PROPERTIES

Particulars of the properties and property interests of the Group as at 31 December 2025 are set out on page 111 of the Annual Report.

EVENTS AFTER THE REPORTING PERIOD

The Group did not have any material event that have occurred since the end of the financial year ended 31 December 2025.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 112 of the Annual Report.

AUDITOR

The financial statements have been audited by KPMG who will retire and, being eligible, offer themselves for re-appointment at the 2026 AGM. A resolution for the re-appointment of KPMG as the independent auditor of the Company is to be proposed at the 2026 AGM. There was no change in auditor of the Company in any of the preceding three years.

On behalf of the Board

Sun Jia

Chairman and Executive Director

Hong Kong, 31 March 2026

Corporate Governance Report

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to a high standard of corporate governance practices and holds the view that strong corporate governance is prominent in developing the businesses of the Group and generating long-term profit and sustainable value for our shareholders. The Company has applied the principles of the Corporate Governance Code (the “CG Code”) set out in Appendix C1 of the Listing Rules to its corporate governance structure and practices as described herein, complied with the code provisions set out in the CG Code during the year ended 31 December 2025, and disclosed information in this Report in accordance with the mandatory disclosure requirements, and to the extent applicable, the recommended disclosure, set out in the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “Model Code”) as its own code of conduct regarding directors’ securities transactions. Having made specific enquiries to the directors of the Company, all the directors of the Company confirmed that they had complied with the required standard set out in the Model Code during the year ended 31 December 2025. The Company has also established written guidelines on no less exacting terms than the Model Code for relevant employees (as such term is defined in the CG Code) in respect of their dealings in the securities of the Company. The Board reviews and monitors the compliance of such codes and guidelines periodically.

THE BOARD

Responsibilities, Accountabilities and Contributions: The Board is responsible for leadership and control of the Company and determining the overall strategies and policies and approving the business plan of the Group, and ensuring the Group’s business operations are properly planned, authorised, undertaken and monitored and supervised. The implementation of strategies and policies and day-to-day operations of the Group’s business are delegated to the management led by the Executive Directors. Independent Non-Executive Directors provide the Board with diversified skills, expertise and experience and provide independent advice, perspective and judgement to the Board. All policy matters of the Group, material transactions or transactions where there is conflict of interests are reserved for the Board’s decision. The principal functions of the Board are:

- to determine the overall objectives, strategies, policies and business plan of the Group;
- to monitor and control operating and financial performance;
- to approve major funding, investment and divestment proposals;
- to oversee the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
- to approve the nominations of directors and appointment of key personnel; and
- to assume responsibility for corporate governance (including duties to be performed by the Board as set out in the terms of reference in provision A.2.1 of the CG Code, which includes determining the corporate governance policy of the Company).

Board Composition: As at the date of this report, the Board comprises three Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors.

Executive Directors:

Mr. Sun Jia (*Chairman*)

Ms. Yip Hoi Man (*Chief Executive Officer and alternate to Mr. Sun Jia*)

Mr. Ding Changfeng

Non-Executive Director:

Ms. Han Huihua

Independent Non-Executive Directors (in alphabetical order):

Mr. Ching Hiu Yuen

Mr. Choi Fan Wai

Mr. Zhang Anzhi

Corporate Governance Report *(continued)*

THE BOARD *(continued)*

A list of Directors which identifies their roles and functions (the “Directors List”) is maintained on the websites of the Company and the Stock Exchange from time to time. Independent Non-Executive Directors are also identified as such in the Directors List and all other corporate communications containing the names of the Directors (where appropriate).

Biographical details of the Directors, and the relationship (if any) among them, are set out on pages 3 to 4 of this Annual Report.

Appointment, re-election and removal of Directors: Each of the Directors has entered into a letter of appointment with the Company for a specific term, pursuant to which all Non-Executive Directors (including Independent Non-Executive Directors) are appointed for a term of three years. His/her directorship is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

The Board may from time to time and at any time appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. In addition, the Directors are to retire at the annual general meeting of the Company at least once every three years.

Independent Non-Executive Directors: The Company has three Independent Non-Executive Directors, which meets the requirements under the Listing Rules that at least one third of the Board comprises independent non-executive directors. Mr. Choi Fan Wai possesses the appropriate qualification in accounting. Each of the Independent Non-Executive Directors has provided an annual confirmation of his/her independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company considers that all Independent Non-Executive Directors continued to demonstrate strong independence in judgement and were free from any business or other relationship which could interfere with their ability to discharge their duties effectively, and they therefore all remained independent. As at the date of this Report, none of the Independent Non-Executive Directors has served the Company for more than nine years. Based on the Nomination Committee’s assessment, the Board considers that all the existing Independent Non-Executive Directors are independent.

Board Meetings: Regular meetings are scheduled in advance to facilitate maximum attendance. Four board meetings were held during the year ended 31 December 2025 and the attendance of each Director is set out in the section headed “Attendance at Meetings” of this report. At the board meetings during the year ended 31 December 2025, the Directors have, among others, reviewed the Group’s audited financial statements and announcement of results for the year ended 31 December 2024, reviewed the Group’s interim results for the six months ended 30 June 2025, reviewed the Group’s compliance with the corporate governance code under the Listing Rules and disclosure in the Corporate Governance Report. In addition, a board meeting was held on 31 March 2026 for the purpose of, amongst other things, approving the Group’s audited financial statements and announcement of results and considering the recommendation of a final dividend for the year ended 31 December 2025.

The Chairman of the Board also held a meeting with the Independent Non-executive Directors without the presence of other directors during the year.

Corporate Governance Report *(continued)*

THE BOARD *(continued)*

Independent views into the Board: The Board believes that the Independent Non-Executive Directors constituting more than one-third of the Board provides adequate checks and balances that safeguard the interests of the shareholders and the Group. All our Independent Non-Executive Directors from various different backgrounds with a diverse range of business, financial services and professional experience possess diversified expertise, skills and experience. Their views and participation in Board meetings and committees' meetings bring independent judgment and advice on issues relating to the Group's strategies, prospects, internal control and conflicts of interest, and ensure that the interests of the shareholders are well taken into account.

As disclosed in this Annual Report, Directors have sufficient access to information relating to the Group or engage independent professional advisors if they consider appropriate, and also have good access to the advice and services of the Company Secretary and the Financial Controller of the Company. Management or other relevant staff can be asked to join the Board meetings, where appropriate, to provide information to the Directors so that the Board will be able to make informed decisions.

Furthermore, the primary duties of the Audit Committee involve assisting our Board with an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group and overseeing the audit process.

INDUCTION, UPDATES AND TRAINING

Each newly appointed Director will be given an induction regarding the governance policies of the Company, businesses and operation of the Group as well as their duties and responsibilities under the statute and common law and relevant rules and regulations. Monthly updates are provided to the Directors for the purpose of giving them a balanced and understandable assessment of the Group's performance, position and prospects. Directors have participated in continuing professional development to develop and refresh their knowledge and skills. Each Director is required to submit his/her training record to the Company on an annual basis. The Company will also assist the Directors to fulfill the training requirement by keeping the Directors notified on details of the relevant seminars and training courses from time to time. The Board also reviews and monitors the training and continuous professional development of the Directors periodically. A summary of training records received by the Directors for the year ended 31 December 2025 is set out as follows:

Name of Director	Reading materials and/or updates relating to corporate governance and businesses of the Group	Attending training courses, seminars and/or forums	Receiving briefings from the Financial Controller & the Company Secretary
Executive Directors			
Sun Jia (<i>Chairman</i>)	✓		✓
Yip Hoi Man (<i>Chief Executive Officer</i>)	✓	✓	✓
Ding Changfeng	✓		✓
Non-Executive Director			
Han Huihua	✓		✓
Independent Non-Executive Directors			
Ching Hiu Yuen	✓	✓	✓
Choi Fan Wai	✓	✓	✓
Zhang Anzhi	✓	✓	✓

Corporate Governance Report *(continued)*

REMUNERATION OF DIRECTORS

Details of the remuneration of Directors are set out in note 7 to the financial statements in this Annual Report.

Principles of Remuneration Policy:

The purpose of the Group's remuneration policy is to establish a formal and transparent remuneration procedure to ensure fair remuneration to attract, retain and motivate the directors and senior management of the Company to run the company successfully without paying more than necessary. The key principles of the Group's remuneration policy are:

- no individual is involved in determining his/her own remuneration;
- remuneration should align with those offered for comparable position by comparable companies of similar size and business scope in the market; and
- remuneration should reflect work complexity, time commitment, responsibility and performance (both financial and qualitative) with a view to attracting, motivating and retaining high performers.

Remuneration of Executive Directors: Each of the Executive Directors received a fee of HK\$200,000 per annum for being a Director of the Company. During the year under review, no other remuneration was payable to the Executive Directors.

Remuneration of Non-Executive Directors, including the Independent Non-Executive Directors: The Non-Executive Director, Ms. Han Huihua, received nil fee for being a director of the Company. Each of the Independent Non-Executive Directors received a fee of HK\$200,000 per annum for being a director of the Company. All Independent Non-Executive Directors are entitled to an allowance of HK\$10,000 for attending each meeting in person and an allowance of HK\$5,000 for attending each meeting by phone or video conference. No equity-based remuneration or other remuneration was payable to the Non-Executive Director or the Independent Non-Executive Directors during the year.

None of the Directors has waived or agreed to waive any remuneration for the year.

Remuneration Committee: The Company established a Remuneration Committee with written terms of reference revised on 19 December 2025. As at 31 December 2025 and the date of this report, the committee is chaired by Mr. Zhang Anzhi, an Independent Non-Executive Director, and comprising a majority of the Independent Non-Executive Directors. The other members of the committee are Mr. Choi Fan Wai, an Independent Non-Executive Director, and Ms. Yip Hoi Man, an Executive Director.

The principal duties and functions of the Remuneration Committee are:

- to make recommendations to the Board regarding the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration;
- to determine the specific remuneration packages of all Executive Directors and senior management;
- to make recommendations to the Board of the remuneration of Non-Executive Directors; and
- to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

Corporate Governance Report *(continued)*

REMUNERATION OF DIRECTORS *(continued)*

Principles of Remuneration Policy: *(continued)*

For the remuneration of the Executive Directors, the Remuneration Committee adopted the model described in code provision E.1.2(c)(i) of the CG Code.

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

The Remuneration Committee held one meeting for the year ended 31 December 2025 and a summary of work done of the Remuneration Committee include, among other things:

- reviewing the Company's policy and structure for all Director and senior management's remuneration; and
- determining the specific remuneration packages of all Directors and senior management for the year ended 31 December 2025 after considering and assessing the performances of the Directors and senior management.

The attendance of each member of the Remuneration Committee to its meeting is set out in the section headed "Attendance at Meetings" of this report.

NOMINATION OF DIRECTORS

The Board, through the Nomination Committee, reviews its structure, size, composition and diversity from time to time to ensure that it has the balance of skills and experience and independent element appropriate for the requirement of the Group's businesses.

Nomination Committee: The Company established a Nomination Committee with written terms of reference revised on 19 December 2025. The current committee is chaired by Mr. Ching Hiu Yuen, an Independent Non-Executive Director, and comprising a majority of the Independent Non-Executive Directors. The other members of the committee are Mr. Zhang Anzhi, an Independent Non-Executive Director, and Ms. Yip Hoi Man, an Executive Director.

The principal duties and functions of the Nomination Committee are:

- to review the structure, size, composition and diversity of the Board and make recommendations to the Board regarding any proposed changes as and when necessary;
- to develop and maintain a policy for the nomination of Board members which includes the nomination procedures and the process and criteria adopted by the committee to identify, select and recommend candidates for directorship during the year and review periodically and disclose in this report the policy and the progress made towards achieving the objectives set in the policy;
- to identify and nominate qualified individuals to the Board for appointment as additional Directors or to fill Board vacancies as and when they arise;
- to assess the independence of Independent Non-Executive Directors;
- to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman of the Board and the Chief Executive Officer;
- to review the board diversity policy of the Board (the "Board Diversity Policy") and make disclosure of its review results in this report;
- to conform to any requirement or direction that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or any applicable law or regulation; and
- to monitor and review the nomination policy annually to ensure it remains relevant to the Group's needs and reflects both current regulatory requirements and good corporate governance practice.

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

Corporate Governance Report *(continued)*

NOMINATION OF DIRECTORS *(continued)*

The Company adopted the Board Diversity Policy which was revised on 26 August 2022 and sets out the approach to achieve diversity on the Board. The policy is summarised as follows:

- in reviewing the Board's composition, the Nomination Committee will consider a number of aspects including skills, regional and industry experience, background, race, gender and other qualities of Directors and take into account such differences in determining the optimum composition of the Board;
- in identifying qualified individuals to become Board members, nomination of the individuals for Board approval will be made by the Nomination Committee based on merit while taking into account diversity (including but not limited to diversity in gender, age, cultural and educational background, professional experience, skills, knowledge and length of service); and
- the Nomination Committee will discuss and agree annually measurable objectives for implementing diversity on the Board and recommend them to the Board for adoption.

The Board currently has two female Directors out of seven Directors. The current gender diversity ratio of the Board, at 29% of the Directors being female Directors, stands at a reasonable level compared to other companies listed on the Stock Exchange. The gender diversity of the Board was achieved throughout the year under review as the Board adhered to the Board Diversity Policy and placed significant emphasis on diversity (including gender diversity). The Company will use its reasonable endeavors to maintain gender diversity at least at a level of 25% female representation in the Board, subject to any changes to the business model and needs that requires material deviation from the current Board gender diversity. The Company also recognises that board diversity can be achieved without increasing the size of the Board and that a reduction in Board size due to retirements without replacement can also be a way to further diversity. If the Board determines that an additional or replacement Director is required, the Nomination Committee will deploy multiple channels for identifying suitable director candidates, including referral from Directors, shareholders, management, advisors of the Company and external executive search firms.

Having considered the business needs of the Company, the Nomination Committee considers that the current Board is sufficiently diversified in terms of its skills, experience, knowledge, expertise, culture, independence, age and gender.

On top of the Board Diversity Policy, the Nomination Committee has also adopted a nomination policy (the "Nomination Policy") which sets out, inter alia, the selection criteria and procedure for selecting and recommending candidates for directorship during the year. The selection criteria used in assessing the suitability of a candidate include the candidate's character, skills, knowledge, experience and those criteria set out in Rule 3.08 of the Listing Rules. Where the candidate is appointed for the position of Independent Non-Executive Director, the Committee will also assess his/her independence with reference to the requirements set out in the Listing Rules. In the case of re-appointment of Director, the Nomination Committee would take into account factors such as contribution from the retiring Directors. The procedure of appointing and re-appointing a Director is summarised as follows:

- the Nomination Committee to identify potential candidates possibly with the assistance from external agencies and/or advisors;
- the Nomination Committee to evaluate candidates' suitability to become a member of the Board based on the criteria set out in the Nomination Policy by means of interviews (or other ways) as to whether he/she is fit and proper for becoming a member of the Board with reference to the criteria set out in Rule 3.08 of the Listing Rules;
- the Nomination Committee to nominate one or more qualified candidates for the Board's consideration;
- the Board to agree on a preferred candidate;
- the Chairman of the Board to negotiate terms of appointment with the preferred candidate; and
- the Chairman of the Board, in consultation with the chairmen of the Remuneration Committee and the Nomination Committee, finalises a letter of appointment for the Board's approval.

Corporate Governance Report *(continued)*

NOMINATION OF DIRECTORS *(continued)*

Any shareholder who wishes to nominate any person for election as a director at the Company's general meeting may make a written submission to the Company at its principal place of business in Hong Kong at Room A, 43rd Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong containing such information as may be required within the period commencing no earlier than the day after the despatch of the notice of the meeting and ending no later than seven days prior to the date of such meeting. The Nomination Committee will consider the suitability of the candidate on the basis of qualifications, experience and background. Details of the nomination procedures are available on the Company's website.

The Nomination Committee held one meeting for the year ended 31 December 2025 and a summary of work done by the Nomination Committee include, among other things:

- reviewing the structure, size, composition and diversity of the Board;
- assessing the independence of Independent Non-Executive Directors;
- recommending to the Board the re-appointment of retiring Directors at the 2025 AGM after considering the Directors' contribution; and
- reviewing the disclosure of the Nomination Policy and the Board Diversity Policy in the corporate governance report.

The attendance of each member of the Nomination Committee to its meetings is set out in the section headed "Attendance at Meetings" of this report.

ACCOUNTABILITY AND AUDIT

Financial Reporting: The Directors acknowledge their responsibilities for the preparation of financial statements which give a true and fair view, and to ensure that appropriate accounting policies are selected and applied consistently. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The external auditor of the Company has included a statement of its reporting responsibilities on the Group's financial statements in its Independent Auditor's Report on pages 44 to 49 of the Annual Report.

The Company deviates from one Recommended Best Practice in the Corporate Governance Code that an issuer should announce and publish quarterly financial results as they lack a long-term view of the Company's financial performance; and preparation and disclosure of quarterly reports can be costly and require extensive time and various resources, including the cost and time of Board and management spent on quarterly reporting.

Risk management and internal control: The Board is responsible for overseeing the Group's risk management and internal control systems on an ongoing basis and for reviewing their effectiveness for each financial year at least annually. The Audit Committee supports the Board in monitoring the key risks to the Group and in the design and operating effectiveness of the Group's risk management and internal control systems. Management of the Group, comprising the Executive Directors and the Financial Controller, assesses and presents to the Audit Committee on a regular basis its assessment of the key risks of the Group, the strengths and weaknesses of the overall internal control system, with action plan to address weaknesses being identified. The Group does not have an internal audit function in view of its small size and simplicity of operation. Instead, the Group engaged an independent consultant to carry out agreed testing procedures on the internal control system of the Group in a risk-focused manner. The Group reviews the need for an internal audit function on an annual basis and the Group considers that the current risk management and internal control systems described above sufficient.

The Group adopts a top-down as well as a bottom-up approach in identifying and assessing risks of the Group. Detailed risk registers and key risk indicators have been drawn up for each of the key risks being identified for evaluation and management of the relevant risks. Management is responsible to assess the key risks on an ongoing basis by reference to any changes in the external environment and the business model of the Group. Standard operating procedures with built-in controls such as authorisations and approvals, verifications, reconciliations and segregation of duties have been established governing the key operating activities of the Group. The Board and the Audit Committee are responsible for overseeing the monitoring activities of the Group's risk management and internal control systems. Internal control deficiencies, if any, are communicated in a timely manner to those parties responsible for taking corrective action, including management and the Board, as appropriate.

Corporate Governance Report *(continued)*

ACCOUNTABILITY AND AUDIT *(continued)*

Risk management and internal control systems are designed for the purpose of managing rather than eliminating the risk of failure to achieve business objectives. As a result, the systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Board has conducted a review of the effectiveness of the risk management and internal control system of the Group annually, covering financial, operational and compliance controls. Based on the review and having considered the independent consultant's findings and recommendations, the management's assessment and recommendation from the Audit Committee, the Board is satisfied that the Group has maintained effective and adequate risk management and internal control systems during the year ended 31 December 2025. In addition, the Board is satisfied with the effectiveness of the Company's processes for financial reporting and Listing Rules compliance as well as the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting functions.

To further enhance internal control awareness, the Group has also implemented a whistleblowing policy (revised on 26 August 2022) to provide reporting channels and facilitate persons reporting his/her concerns under the policy to report any known or genuinely suspected misconduct, wrongdoings, corruption, fraud, improprieties in matters of financial reporting, internal control or other matters involving, among others, Directors, officers, and full-time, part-time and contract employees of the Group, and all parties having business relationship with the Group as well as employees of such parties. With respect to the Company's whistleblowing policy, please refer to the Company's ESG report.

Audit Committee: The Company established an Audit Committee with written terms of reference revised on 19 December 2025. The current committee is chaired by Mr. Choi Fan Wai, an Independent Non-Executive Director. The other members of the committee are Mr. Ching Hiu Yuen and Mr. Zhang Anzhi, the Independent Non-Executive Directors.

The principal duties and functions of the Audit Committee are:

- to recommend to the Board the appointment, re-appointment and removal of the external auditor, to approve the remuneration and to assess the independence of the external auditor;
- to review the Group's interim and annual financial statements;
- to oversee the Group's financial reporting system;
- to oversee the Group's internal control and risk management systems; and
- to discuss issues arising from the audits and any matters raised by the external auditor.

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

The Audit Committee held three meetings during the year ended 31 December 2025 and a summary of work done by the Audit Committee include, among other things:

- review the half-yearly and annual results of the Group with management and the external auditor;
- review the accounting policies and practices adopted by the Group;
- consider policies and practices of the Company on corporate governance and make recommendations to the Board;
- recommend to the Board the re-appointment of KPMG as the external auditor;
- consider the independence and remuneration of the external auditor;
- discuss the external auditor's audit plan and findings;
- review reports on the Company's compliance with the CG Code and disclosures in this report;
- assess the effectiveness of the risk management and internal control systems for the Group;
- review reports in respect of risk management system for the Group; and
- review reports on the key risk indicators established by the Group for its top five risks.

The attendance of each member of the Audit Committee at its meetings is set out in the section headed "Attendance at Meetings" of this report.

Corporate Governance Report *(continued)*

AUDITORS' REMUNERATION

Remuneration in respect of audit and non-audit services provided by KPMG during the year ended 31 December 2025 is analysed as follows:

Services rendered:	Remuneration HK\$'000
Audit services	1,060
Non-audit services	225

The external auditor is refrained from engaging in non-audit services except for limited tax-related services or specific approved items. The Audit Committee reviewed the external auditor's statutory audit scope and non-audit services, and approved its fees. The non-audit services provided during the year consisted of (i) the review of the Group's consolidated financial statements for the six months period ended 30 June 2025; and (ii) the report on the Group's continuing connected transaction.

WORKFORCE GENDER DIVERSITY

In our workforce (including senior management), the gender ratio is 43% (females): 57% (males) (2024: 42%: 58%). Equal opportunities principles are applied in the Group, particularly to recruitment, training, career development and promotion of our employees. Remuneration and benefit packages of our employees are structured in accordance with market terms and having regards to individual responsibility and performance. The Company places tremendous emphasis on diversity (including gender diversity) across all levels of the Group. The Company will use its reasonable endeavors to maintain gender diversity at least at a level of 30% female representation in the workforce subject to any changes to the business model and needs that requires material deviation from the current gender diversity in workforce. Further, to support diversity across all facets, the Group is enhancing diversity and making inclusion efforts through employee networks, mentoring programmes, equitable hiring practices, policies and training for all employees to support inclusive behaviours. For further details about the gender diversity in the workforce, please refer to the Company's ESG report.

COMPANY SECRETARY

The appointment and removal of the company secretary of the Company (the "Company Secretary") is subject to Board approval.

Ms. Ivy Lai ("Ms. Lai") has been appointed as the Company Secretary and an Authorised Representative with effect from 1 August 2023. Ms. Lai holds a bachelor's degree in Laws from the University of Hong Kong and is qualified to practice as a solicitor in Hong Kong and England and Wales. Ms. Lai is not an employee of the Group but is given access to Ms. Yip Hoi Man, an Executive Director and the Chief Executive Officer of the Company, from time to time in order to have an up-to-date knowledge about the Group's affairs.

Ms. Lai confirmed that she had complied with all the required qualifications, experience and training requirements and had taken no less than 15 hours of relevant professional training during the year ended 31 December 2025 in compliance with Rule 3.29 of the Listing Rules.

Corporate Governance Report *(continued)*

INSIDE INFORMATION

The Group issues guidelines to its directors, officers and employees governing the disclosure of inside information as defined under Part XIVA of the SFO. Unless the inside information falls within any of the safe harbors as permitted under the SFO, the Group is required to disseminate such information through the electronic publication system operated by the Stock Exchange to the public in a timely manner.

Where any director, officer or employee of the Group is aware of the existence of any potential inside information or information that may be material to the trading volume or price of the shares of the Company, he/she is required to inform a designated officer within the Group (the “Designated Officer”), who shall in consultation with professional advisers (if required), form a preliminary view as to whether the information should be regarded as inside information or any of the safe harbor provisions is applicable to the Company. The Designated Officer shall notify the Board on any information regarded as inside information and seek its approval to handle subsequent compliance matters.

All Directors, officers and relevant employees are required to take reasonable precautions for preserving the confidentiality of inside information and the relevant announcement (if applicable) before publication. If the Group believes that the necessary degree of confidentiality cannot be maintained, the Group will immediately disclose the information to the public as soon as reasonably practicable.

COMMUNICATION WITH SHAREHOLDERS

The Company adopted a shareholder communication policy on 28 March 2012 which was revised on 17 September 2024 to promote effective two-way communication of the Company with its shareholders to ensure provision of timely, equal and sufficient information to the shareholders. Information relating to the Group is mainly disseminated to the shareholders through publication of notices, announcements, circulars, annual report and interim report on the websites of the Company and the Stock Exchange. Annual general meetings and other general meetings are held in compliance with the Listing Rules and other legal requirements to provide a forum for shareholders to exchange their views with the Board. Directors will be present at the meeting to answer questions from shareholders. The Board reviews the shareholder communication policy on a regular basis, and, if necessary, makes any changes it considers necessary to ensure its effectiveness and that Shareholders’ needs are best served.

On 13 June 2025, an annual general meeting was held for the shareholders of the Company to consider and approve the results of the Group for the year ended 31 December 2024, the payment of a final dividend for the year ended 31 December 2024, the re-appointment of Ms. Yip Hoi Man and Mr. Ding Changfeng as Executive Directors, Ms. Han Huihua as Non-Executive Director, the re-appointment of the external auditor and the granting of a share issue mandate and a share repurchase mandate to the Board.

On 19 December 2025, an extraordinary general meeting of the Company was held for the independent shareholders of the Company to consider and approve the New Management Services Framework Agreement dated 28 October 2025 and the transactions contemplated thereunder and the proposed annual caps for the three years commencing on 1 January 2026 and ending on 31 December 2028.

At both general meetings, Directors were present to answer questions from Shareholders. The attendance of each Director at the general meeting is set out in the section headed “Attendance at Meetings” of this report.

Shareholders may also make enquiries through the contact details set out in the section headed “Procedures for directing shareholders’ enquiries to the Board” hereinafter.

The Board has conducted a review of the implementation and effectiveness of the shareholder communication policy of the Company during the year under review. Having considered the multiple 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.

Corporate Governance Report *(continued)*

SHAREHOLDERS' RIGHTS

Convening of Extraordinary General Meeting (the "EGM") on requisition by shareholders

Under Article 72 of the Company's Articles of Association, general meetings could be convened by requisitionists. In accordance with Article 72 of the Company's Articles of Association, shareholder(s) holding together (at the date of the deposit of the requisition) 10% or more of such of the paid-up capital of the Company which as at the date of the deposit carries the right of voting on a one vote per share basis at general meetings of the Company, may require the Directors to convene an EGM. The written requisition must state the objects of the meeting and must be signed by the shareholder(s) concerned and deposited at the registered office of the Company. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned. If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene an EGM on a day not more than 28 days after the date on which the notice convening the EGM is given, the shareholder(s) concerned, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, provided that the EGM so convened shall not be held after the expiration of three months from the said date. The EGM convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns in writing to the Board, whose contact details are as follows:

The Board of Directors
Vanke Overseas Investment Holding Company Limited
Room A, 43rd Floor, Bank of China Tower
1 Garden Road Central
Hong Kong
Email: vkoverseas.ir@vanke.com
Fax: (852) 2328 8097

The Board and/or relevant board committees of the Company will consider the enquiries and concerns raised by the shareholders and reply as appropriate.

Procedures for putting forward proposals at general meetings by shareholders

A shareholder who wishes to propose a resolution must requisition the convening of a general meeting in accordance with Article 72 of the Company's Articles of Association. The written requisition must be signed by the shareholder(s) concerned and deposited at the registered office of the Company.

Without prejudice to the foregoing, any shareholder who wishes to nominate any person for election as a director at the Company's general meeting shall make a written submission to the Company at its principal place of business in Hong Kong at Vanke Overseas Investment Holding Company Limited, Room A, 43rd Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong containing such information as may be required within the period commencing no earlier than the day after the despatch of the notice of the meeting and ending no later than seven days prior to the date of such meeting. The Nomination Committee will consider the suitability of the candidate in accordance with the Board Diversity Policy and the Nomination Policy.

Corporate Governance Report *(continued)*

AMENDMENT OF THE COMPANY'S CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents, being the Company's Memorandum and Articles of Association, during the year ended 31 December 2025.

The Company's Memorandum and Articles of Association are posted on the websites of the Company and the Stock Exchange.

ATTENDANCE AT MEETINGS

The attendance of individual Directors at the Board and Committee Meetings during the year ended 31 December 2025 is set out below.

Name of Director	Board Meetings (Attended/ Held)	Remuneration Committee Meeting (Attended/ Held)	Nomination Committee Meeting (Attended/ Held)	Audit Committee Meetings (Attended/ Held)
Executive Directors				
Sun Jia (<i>Chairman</i>) ^{Note}	3/4 ^{Note}	–	0/1 ^{Note}	–
Yip Hoi Man (<i>Chief Executive Officer</i>)	4/4	1/1	–	–
Ding Changfeng	4/4	–	–	–
Non-Executive Director				
Han Huihua	3/4	–	–	–
Independent Non-Executive Directors				
Ching Hiu Yuen	4/4	–	1/1	3/3
Choi Fan Wai	4/4	1/1	–	3/3
Zhang Anzhi	4/4	1/1	1/1	3/3

Note: Ms. Yip Hoi Man attended the Board Meetings and Nomination Committee Meeting as alternate to Mr. Sun Jia during his absences.

Corporate Governance Report *(continued)*

ATTENDANCE AT MEETINGS *(continued)*

The attendance of individual Directors at the general meeting of the Company during the year ended 31 December 2025 is set out below.

Name of Director	2025 AGM	EGM held on 19 December 2025
Executive Directors		
Sun Jia <i>(Chairman)</i>		
Yip Hoi Man <i>(Chief Executive Officer)</i>	✓	✓
Ding Changfeng	✓	✓
Non-Executive Director		
Han Huihua		
Independent Non-Executive Directors		
Ching Hiu Yuen	✓	✓
Choi Fan Wai	✓	✓
Zhang Anzhi	✓	✓

Independent Auditor's Report



Independent auditor's report to the shareholders of Vanke Overseas Investment Holding Company Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Vanke Overseas Investment Holding Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 50 to 110, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes, comprising 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 IFRS Accounting Standards as issued by the International Accounting Standards Board and 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 the 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.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

Independent Auditor's Report *(continued)*

KEY AUDIT MATTERS *(continued)*

Valuation of investment properties

Refer to the accounting policy at note 2(e) and note 11 to the consolidated financial statements.

The Key Audit Matter

How the matter was addressed in our audit

The Group owns certain industrial premises located in Hong Kong and classifies these industrial premises as investment properties. The fair value of these investment properties as at 31 December 2025 totalled HK\$1,874 million, which represented 43% of the Group's total assets as at that date.

The fair value of the Group's investment properties as at 31 December 2025 was assessed by the directors based on valuations prepared by external surveyors. Such valuation required significant judgement and estimation, particularly in relation to selecting the appropriate valuation methodology, capitalisation rates and market rents.

We identified the valuation of investment properties as a key audit matter because of the significance of investment properties to the Group's total assets and because the valuation of investment properties can be inherently subjective and requires significant judgement and estimation, which increases the risk of error or potential management bias.

Our audit procedures to assess the valuation of investment properties included the following:

- obtaining and inspecting the valuation reports prepared by external surveyors engaged by the Group on which the directors' assessment of the valuation of investment properties was based on;
- assessing the competence, capabilities and objectivity of the external surveyors;
- with the assistance of our internal property valuation specialists,
 - discussing with the external surveyors their valuation methodology in a separate private session,
 - evaluating the appropriateness of the valuation methodology with reference to the prevailing accounting standards, and
 - challenging the reasonableness of the capitalisation rates and market rents adopted by comparing assumptions made in the current year with prior years' and with current publicly available data; and
- comparing tenancy information provided by the Group to the external surveyors, including committed rents and occupancy rates, by comparing with underlying contracts and related documentation, on a sample basis.

Independent Auditor's Report *(continued)*

KEY AUDIT MATTERS *(continued)*

Assessing the net realisable value of inventories

Refer to the accounting policy at notes 2(d) and 2(i) and notes 14 and 15 to the consolidated financial statements.

The Key Audit Matter	How the matter was addressed in our audit
----------------------	---

The Group holds either directly or through its joint ventures, properties under development ("PUD") and completed properties ("CP") located in Hong Kong.

These properties are stated at the lower of cost and net realisable value, which is the estimated selling prices less estimated costs to completion and costs to be incurred in selling the properties. The determination of the net realisable value of these properties requires management estimation and judgement, particularly in determining expected future selling prices and costs to completion.

We identified the assessment of net realisable value of PUD and CP as a key audit matter because of the significance of these properties to the Group's total assets and because the assessment of net realisable value is inherently subjective and requires significant management judgement and estimation which increases the risk of error or potential management bias.

Our audit procedures to assess the net realisable value of PUD and CP included the following:

- obtaining and inspecting management's valuation assessment on which management's assessment of the net realisable value of PUD and CP was based;
- assessing the appropriateness of the valuation methodology with reference to prevailing accounting standards;
- with the assistance of our internal property valuation specialists, assessing the reasonableness of expected future selling prices by comparing with, recently transacted prices for similar properties or the prices of comparable properties located in the vicinity of each development; and
- conducting site visit to PUD to observe the development progress and evaluating the reasonableness of the estimated costs to completion by comparing with publicly available construction cost information for properties of a similar nature and location respectively, signed construction contracts and/or unit construction costs of recently completed projects.

Independent Auditor's Report *(continued)*

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, 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 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.

The directors are assisted by the Audit Committee in discharging their responsibilities 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. This report is made solely to you, as a body, 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.

Independent Auditor's Report *(continued)*

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

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism 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.
- 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 consolidated 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.

Independent Auditor's Report *(continued)*

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

We communicate with the Audit Committee 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 the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and 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 the Audit Committee, 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 Chan Tak Kei (practising certificate number: P07070).

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

31 March 2026

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Revenue	3	596,705	775,467
Cost of sales and services		(423,378)	(641,431)
Gross profit		173,327	134,036
Other income	4	10,499	6,210
Administrative and other operating expenses		(128,449)	(160,722)
(Decrease)/increase in fair value of investment properties	11(a)	(80,500)	9,900
Operating loss		(25,123)	(10,576)
Finance income	5(a)	11,281	19,694
Finance costs	5(b)	(841)	(16,128)
Share of results of associates		(46,007)	(51,228)
Share of results of joint ventures		(10,783)	(179)
Loss before taxation	5	(71,473)	(58,417)
Income tax (expense)/credit	6(a)	(20,920)	7,887
Loss for the year		(92,393)	(50,530)
Attributable to:			
Shareholders of the Company		(92,393)	(50,530)
Non-controlling interests		-	-
Loss for the year		(92,393)	(50,530)
Loss per share-basic and diluted	10	HK\$(0.24)	HK\$(0.13)

The notes on pages 56 to 110 from part of these consolidated financial statements. Details of dividends paid and payable to shareholders of the Company attributable on the loss for the year are set out in note 9.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
Loss for the year	(92,393)	(50,530)
Other comprehensive income for the year:		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of the financial statements of overseas subsidiaries	<u>29</u>	(424)
Total comprehensive income for the year	<u>(92,364)</u>	(50,954)
Attributable to:		
Shareholders of the Company	(92,364)	(50,954)
Non-controlling interests	<u>-</u>	-
Total comprehensive income for the year	<u>(92,364)</u>	(50,954)

The notes on pages 56 to 110 form part of these consolidated financial statements.

Consolidated Statement of Financial Position

At 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Investment properties	11	1,874,100	1,954,600
Property, plant and equipment	11	920,836	966,744
Interests in associates	13	20,332	75,331
Interests in joint ventures	14	342,392	296,175
Deferred tax assets	21	24,023	18,935
		3,181,683	3,311,785
Current assets			
Inventories	15	391,768	632,718
Trade and other receivables	16	48,614	64,399
Tax recoverable		2,568	2,186
Bank balances and cash		686,410	457,222
		1,129,360	1,156,525
Current liabilities			
Trade and other payables	19	(115,834)	(145,011)
Contract liabilities	17	(3,122)	(7,705)
Lease liabilities	20	(11,432)	(10,378)
Tax payable		(19,391)	(18,493)
		(149,779)	(181,587)
Net current assets		979,581	974,938
Total assets less current liabilities		4,161,264	4,286,723
Non-current liabilities			
Lease liabilities	20	(6,768)	(18,200)
Deferred tax liabilities	21	(48,934)	(47,225)
		(55,702)	(65,425)
NET ASSETS		4,105,562	4,221,298

Consolidated Statement of Financial Position *(continued)*

At 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
CAPITAL AND RESERVES			
Share capital	22(b)	3,895	3,895
Reserves		4,101,668	4,217,404
Total equity attributable to shareholders of the Company		4,105,563	4,221,299
Non-controlling interests		(1)	(1)
TOTAL EQUITY		4,105,562	4,221,298

Approved and authorised for issue by the board of directors on 31 March 2026.

Sun Jia
Director

Yip Hoi Man
Director

The notes on pages 56 to 110 form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Note	Attributable to shareholders of the Company				Total	Non-controlling interests	Total equity
		Share capital	Share premium	Exchange reserve	Retained profits			
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 January 2025		3,895	1,030,877	4,167	3,182,360	4,221,299	(1)	4,221,298
Changes in equity for 2025:								
Loss for the year		-	-	-	(92,393)	(92,393)	-	(92,393)
Exchange differences arising on translation of foreign operations		-	-	29	-	29	-	29
Total comprehensive income		-	-	29	(92,393)	(92,364)	-	(92,364)
Final dividend approved in respect of the previous year	9(b)	-	-	-	(23,372)	(23,372)	-	(23,372)
At 31 December 2025		3,895	1,030,877	4,196	3,066,595	4,105,563	(1)	4,105,562
At 1 January 2024		3,895	1,030,877	4,591	3,256,262	4,295,625	(1)	4,295,624
Changes in equity for 2024:								
Loss for the year		-	-	-	(50,530)	(50,530)	-	(50,530)
Exchange differences arising on translation of foreign operations		-	-	(424)	-	(424)	-	(424)
Total comprehensive income		-	-	(424)	(50,530)	(50,954)	-	(50,954)
Final dividend approved in respect of the previous year	9(b)	-	-	-	(23,372)	(23,372)	-	(23,372)
At 31 December 2024		3,895	1,030,877	4,167	3,182,360	4,221,299	(1)	4,221,298

The notes on pages 56 to 110 form part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Operating activities			
Net cash generated from operations	18(a)	325,281	255,057
Hong Kong Profits Tax paid		(17,317)	(5,790)
Hong Kong Profits Tax refunded		862	126
Overseas tax paid		(7,328)	(4,087)
Net cash generated from operating activities		301,498	245,306
Investing activities			
Net proceeds from disposal of investment properties		–	48,400
Payments for additions of property, plant and equipment		(186)	(914)
Bank interest received		10,597	18,551
Interest received from an associate		684	1,143
Repayments from an associate		7,516	8,257
Advance from an associate		600	–
Additional investment in an associate		–	(16,010)
Advances to joint ventures		(57,000)	(40,240)
Net cash (used in)/generated from investing activities		(37,789)	19,187
Financing activities			
Interest and other finance charges paid	18(b)	–	(14,445)
Capital element of lease rentals paid	18(b)	(10,378)	(10,586)
Interest element of lease rentals paid	18(b)	(841)	(1,145)
Repayment of a bank loan	18(b)	–	(367,596)
Dividends paid		(23,372)	(23,372)
Net cash used in financing activities		(34,591)	(417,144)
Net increase/(decrease) in cash and cash equivalents		229,118	(152,651)
Cash and cash equivalents at 1 January		457,222	610,286
Effect of foreign exchange rate changes		70	(413)
Cash and cash equivalents at 31 December		686,410	457,222
Analysis of the balances of cash and cash equivalents at 31 December			
Bank balances and cash		686,410	457,222

The notes on pages 56 to 110 form part of these consolidated financial statements.

Notes to the Financial Statements

1 GENERAL INFORMATION

Vanke Overseas Investment Holding Company Limited (the “Company” and together with its subsidiaries, the “Group”) is a limited liability company incorporated in the Cayman Islands whose shares are listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). The registered office of the Company is located at P.O. Box 309, Uglund House, Grand Cayman KY1-1104, Cayman Islands and the principal office of the Company in Hong Kong is located at Room A, 43rd Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong. The principal activities of the Group are asset management, property development, property investment and serviced apartments and hotel operations.

The directors consider the immediate holding company and the ultimate holding company of the Company to be Wkland Investments Company Limited and China Vanke Co., Ltd.. Wkland Investments Company Limited is a company incorporated in the British Virgin Islands with limited liability, while China Vanke Co., Ltd. is a joint stock company with limited liability incorporated in the People’s Republic of China and the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, respectively.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable IFRS Accounting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (“IASB”). As HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), are derived from and consistent with IFRS Accounting Standards, these financial statements also comply with HKFRS Accounting Standards. These financial statements also comply with the requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Material accounting policies adopted by the Group is set out below.

(b) Basis of preparation of the consolidated financial statements

The IASB has issued certain amendments to IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. The equivalent amendments to HKFRS Accounting Standards consequently issued by the HKICPA as a result of these developments have the same effective date as those issued by the IASB and are in all material aspects identical to the pronouncements issued by the IASB.

None of these amendments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The consolidated financial statements for the year ended 31 December 2025 comprise the Group and the Group’s interests in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the investment properties are stated at their fair value as explained in note 2(e).

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

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

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

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

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Noncontrolling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position.

Where a property is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(c) Subsidiaries and non-controlling interests *(continued)*

The Group accounts for an acquisition as business combination where an integrated set of activities is acquired in addition to the property. More specifically, consideration is made of the extent to which significant processes are acquired (e.g. maintenance and serviced residence operations, etc.). When acquisition of an asset or a group of assets does not constitute a business combination, it is treated as property acquisition. In such cases, the individual identifiable assets acquired and liabilities assumed are recognised. The acquisition cost shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate (see note 2(d)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(h)(ii)).

(d) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the group or company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the associate's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or the joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the associate's or the joint venture's net assets and any impairment loss relating to the investment (see note 2(h)). At each reporting date, the group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the associates and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the associates' other comprehensive income is recognised in the consolidated statement of comprehensive income.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associate and joint venture, except when recognised losses provide evidence of an impairment of the asset transferred, in which case they recognised immediately in profit or loss.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(e) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(g)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(q)(i).

(f) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset if it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and its cost can be measured reliably. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use. Depreciation on property, plant and equipment is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment as follows:

– Other properties leased for own use	Over the lease term
– Office and carpark equipment	5 years
– Computer equipment	5 years
– Furniture and fixtures	5 years
– Serviced apartments and hotel	Over the lease term

Property under redevelopment are stated at cost and are not depreciated. Expenditure relating to assets under construction (including borrowing costs) are capitalised when incurred. Depreciation will commence when the development is completed and ready for use.

Both the useful life of an asset and its residual value, if any, are reviewed annually.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(g) Leased assets

(i) *As a lessee*

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(f) and 2(h)(ii)), except for the right-of-use assets that meet the definition of investment property are carried at fair value in accordance with note 2(e).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see notes 2(h)(i) and 2(q)(v)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and presents lease liabilities separately in the statement of financial position.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(g) Leased assets *(continued)*

(i) *As a lessee (continued)*

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract (“lease modification”) that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) *As a lessor*

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease. The rental income from operating leases is recognised in accordance with note 2(q)(i).

(h) Credit losses and impairment of assets

(i) *Credit losses from financial instruments*

The Group recognises a loss allowance for expected credit losses (“ECLs”) on financial assets measured at amortised cost (including cash and cash equivalents, contract assets, trade and other receivables, amounts due from associates/group companies and investment instruments).

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(h) Credit losses and impairment of assets *(continued)*

(ii) *Impairment of other non-current assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment including right-of-use assets; and
- interests in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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 time value of money and the risks specific to the asset.

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount.

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) *Interim financial reporting and impairment*

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with IAS/HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 2(h)(i) and (ii)).

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value as follows:

– ***Property development***

Cost and net realisable values are determined as follows:

– ***Property under development for sale***

The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of interests in freehold and leasehold land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised (see note 2(s)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

– ***Completed property held for resale***

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In the case of completed properties developed by the Group which comprise of multiple units which are sold individually, the cost of each unit is determined by apportionment of the total development costs for that development project to each unit on a per square foot basis, unless another basis is more representative of the cost of the specific unit. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(j) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the group recognises the related revenue (see note 2(q)). A contract liability is also recognised if the group has an unconditional right to receive non-refundable consideration before the group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see note 2(k)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(q)(v)).

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. Receivables that do not contain a significant financing component are initially measured at their transaction price. Receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All are subsequently stated at amortised cost using the effective interest method, and including allowance for credit losses (see note 2(h)(i)).

(l) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(h)(i).

(n) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(o) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for recognised purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(o) **Income tax** *(continued)*

Where investment properties are carried at their fair value in accordance with note 2(f) the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date, unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(p) **Provisions and contingent liabilities**

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(q) **Revenue and other income**

Income is classified by the Group as revenue when it arises from the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties.

Revenue from sales of properties is recognised at point in time when the buyer obtains control of the completed properties.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(q) Revenue and other income *(continued)*

Further details of the Group's revenue and other income recognition policies are as follows:

(i) *Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

(ii) *Asset management fee income and property management income*

Asset management fee income and property management income are recognised when the services are provided.

(iii) *Income from serviced apartments and hotel*

Income from room revenue is recognised over time during the period of stay of hotel guests.

(iv) *Sale of properties*

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognised when legal assignment is completed, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property.

(v) *Interest income*

Interest income is recognised as it accrues using the effective interest method.

(r) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(t) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Notes to the Financial Statements *(continued)*

2 MATERIAL ACCOUNTING POLICIES *(continued)*

(u) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 REVENUE AND SEGMENT INFORMATION

(a) Revenue recognised during the year is as follows:

	2025 HK\$'000	2024 HK\$'000
<i>Revenue from contracts with customers within the scope of IFRS/HKFRS 15 recognised over time</i>		
Property management fee income	15,887	16,667
Asset management fee income	166,772	180,938
Income from serviced apartments and hotel	46,872	48,913
<i>Revenue from contracts with customers within the scope of IFRS/HKFRS 15 recognised point in time</i>		
Sale of properties	294,304	452,810
<i>Revenue from other sources</i>		
Rental income from investment properties	72,870	76,139
	596,705	775,467

At 31 December 2025, the cumulative aggregate amount of revenue expected to be recognised in the consolidated statement of profit or loss in the future from sales contracts entered into in relation to the Group's completed properties, which are pending assignment, amounted to HK\$51,878,000 (2024: HK\$255,358,000) and which will be recognised when the properties are assigned to the customers within the next 12 months.

Notes to the Financial Statements *(continued)*

3 REVENUE AND SEGMENT INFORMATION *(continued)*

(b) Segment reporting

The Group's chief operating decision maker assesses the performance of the operating segment primarily based on segment profit. Segment profit represents the profit earned by the segment and excludes mainly head office and corporate expenses (net of unallocated income), finance income-bank interest income and income tax.

In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purposes of resource allocation and performance assessment, the Group has presented the following four segments:

Property investment:	The leasing of the Group's investment properties to earn rental and management fee income and to gain from the appreciation in properties' values in the long term
Property development:	Sale of properties, share of the results of associates and joint ventures that principal activities are property development and financing from the Group's perspective, interest income from an associate
Asset management:	Asset management fee income from the provision of asset management services
Serviced apartments and hotel:	Income from operating serviced apartments and hotel

Segment assets principally comprise all non-current assets and current assets directly attributable to each segment except for deferred tax assets, other receivables, other deposits, prepayments, tax recoverable and bank balances and cash. No segment liabilities analysis is presented as the Group monitors and manages its liabilities on a group basis.

Revenue from customers which accounts for 10% or more of the Group's revenue are set out below:

	2025 HK\$'000	2024 HK\$'000
Asset management segment – entities controlled by the ultimate holding company	166,772	180,938

Notes to the Financial Statements *(continued)*

3 REVENUE AND SEGMENT INFORMATION *(continued)*

(b) Segment reporting *(continued)*

Operating segments

The segment results are as follows:

For the year ended 31 December 2025

	Property investment HK\$'000	Property development HK\$'000	Asset management HK\$'000	Serviced apartments and hotel HK\$'000	Total HK\$'000
Revenue	88,757	294,304	166,772	46,872	596,705
Segment results before changes in fair value of investment properties	61,329	(93,196)	35,350	4,172	7,655
Decrease in fair value of investment properties	(80,500)	-	-	-	(80,500)
Segment results	(19,171)	(93,196)	35,350	4,172	(72,845)
Head office and corporate expenses (net of unallocated income)					(9,225)
Finance income – bank interest income					10,597
Loss before taxation					(71,473)
Income tax expense					(20,920)
Loss for the year					(92,393)

Notes to the Financial Statements *(continued)*

3 REVENUE AND SEGMENT INFORMATION *(continued)*

(b) Segment reporting *(continued)*

Operating segments (continued)

For the year ended 31 December 2024

	Property investment HK\$'000	Property development HK\$'000	Asset management HK\$'000	Serviced apartments and hotel HK\$'000	Total HK\$'000
Revenue	92,806	452,810	180,938	48,913	775,467
Segment results before changes in fair value of investment properties	50,178	(181,939)	45,151	7,377	(79,233)
Increase in fair value of investment properties	9,900	–	–	–	9,900
Segment results	60,078	(181,939)	45,151	7,377	(69,333)
Head office and corporate expenses (net of unallocated income)					(7,635)
Finance income – bank interest income					18,551
Loss before taxation					(58,417)
Income tax credit					7,887
Loss for the year					(50,530)

Total assets by segment

	2025 HK\$'000	2024 HK\$'000
Property investment	1,877,024	1,956,692
Property development	756,979	1,014,254
Asset management	48,455	72,905
Serviced apartments and hotel	901,781	934,016
Segment assets	3,584,239	3,977,867
Deferred tax assets	24,023	18,935
Other receivables	13,803	12,100
Tax recoverable	2,568	2,186
Bank balances and cash	686,410	457,222
Total assets	4,311,043	4,468,310

Notes to the Financial Statements *(continued)*

3 REVENUE AND SEGMENT INFORMATION *(continued)*

(b) Segment reporting *(continued)*

Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's investment properties, serviced apartments and hotel, other property leased for own use, interests in associates and joint ventures ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or inventories sold. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of investment properties, serviced apartments and hotel and other properties leased for own use, and the location of operations, in the case of interests in associates and joint ventures.

	Revenue from external customers		Specific non-current assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Hong Kong	532,936	699,000	3,153,184	3,245,173
United Kingdom	7,951	7,756	–	–
United States	55,818	68,711	–	47,677
Total	596,705	775,467	3,153,184	3,292,850

4 OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Compensation received from tenants on early lease termination	129	50
Other management fee from related companies	3,480	4,417
Forfeited deposits from customers	6,540	720
Others	350	1,023
	10,499	6,210

Notes to the Financial Statements *(continued)*

5 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	2025 HK\$'000	2024 HK\$'000
(a) Finance income		
Interest income on bank deposits and bank balances	(10,597)	(18,551)
Interest income on an amount due from an associate	(684)	(1,143)
	(11,281)	(19,694)
(b) Finance costs		
Interest expenses on bank loan	–	14,111
Other borrowing costs	–	872
	–	14,983
Interest expenses on lease liabilities	841	1,145
	841	16,128
(c) Staff costs (including directors' emoluments)		
Contributions to defined contribution plan	5,409	6,189
Salaries, wages and other benefits	99,068	108,243
	104,477	114,432

The Group participates in a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees.

Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. The Group also make voluntary contributions to the plan which are determined with reference to its employees' basic salaries. Contributions to the plan vest immediately.

Notes to the Financial Statements *(continued)*

5 LOSS BEFORE TAXATION *(continued)*

	2025 HK\$'000	2024 HK\$'000
(d) Others		
Auditors' remuneration		
– audit services	1,060	1,153
– non-audit services	225	238
Depreciation (note 11(a))	34,184	35,270
Impairment loss on trade receivables	92	75
Net foreign exchange gain	(114)	(305)
Rental and related income from investment properties less direct outgoings of HK\$25,236,000 (2024: HK\$25,039,000)	(63,521)	(67,767)

6 INCOME TAX EXPENSE/(CREDIT)

(a) Income tax expense/(credit) represents:

	2025 HK\$'000	2024 HK\$'000
Current tax – Hong Kong Profits Tax		
Provision for the year	9,283	8,954
Under-provision in prior years	1,133	1,397
	10,416	10,351
Current tax – Overseas		
Provision for the year	17,527	12,257
Over-provision in prior years	(3,644)	(9,801)
	13,883	2,456
Deferred tax		
Origination and reversal of temporary differences (note 21)	(3,379)	(20,694)
	20,920	(7,887)

Notes to the Financial Statements *(continued)*

6 INCOME TAX EXPENSE/(CREDIT) *(continued)*

(a) Income tax expense/(credit) represents: *(continued)*

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

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Overseas taxation is calculated at rate of tax applicable in the jurisdictions in which the Group is assessed for tax.

Share of associates' income tax credit of HK\$16,000 (2024: tax charge of HK\$301,000) is included in the share of results of associates for the year ended 31 December 2025.

(b) Reconciliation between tax expense/(credit) and loss before taxation at applicable tax rates:

	2025 HK\$'000	2024 HK\$'000
Loss before taxation	(71,473)	(58,417)
Notional tax on loss before taxation calculated at the rates applicable to profits in the jurisdictions concerned	1,678	4,458
Tax effect of non-deductible expenses	23,790	6,127
Tax effect of non-taxable income	(1,697)	(10,341)
Tax effect of tax losses not recognised	50	500
Tax effect of prior year's unrecognised tax losses now utilised	(390)	(227)
Over-provision in prior years	(2,511)	(8,404)
Tax expense/(credit)	20,920	(7,887)

Notes to the Financial Statements *(continued)*

7 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation is as follows:

	2025				Total HK\$'000
	Directors' fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Discretionary bonuses HK\$'000	Retirement scheme contributions HK\$'000	
Executive Directors					
Mr. Sun Jia	200	-	-	-	200
Ms. Yip Hoi Man	200	-	-	-	200
Mr. Ding Changfeng	200	-	-	-	200
	600	-	-	-	600
Non-Executive Director					
Ms. Han Huihua	-	-	-	-	-
Independent Non-Executive Directors					
Mr. Ching Hiu Yuen	200	100	-	-	300
Mr. Choi Fan Wai	200	95	-	-	295
Mr. Zhang Anzhi	200	110	-	-	310
	600	305	-	-	905
	1,200	305	-	-	1,505

Notes to the Financial Statements *(continued)*

7 DIRECTORS' EMOLUMENTS *(continued)*

	2024				Total HK\$'000
	Directors' fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Discretionary bonuses HK\$'000	Retirement scheme contributions HK\$'000	
Executive Directors					
Mr. Sun Jia	200	–	–	–	200
Ms. Yip Hoi Man	200	–	–	–	200
Mr. Ding Changfeng	200	–	–	–	200
	600	–	–	–	600
Non-Executive Director					
Ms. Han Huihua	–	–	–	–	–
Independent Non-Executive Directors					
Mr. Ching Hiu Yuen (appointed with 23 May 2024)	122	50	–	–	172
Mr. Choi Fan Wai	200	90	–	–	290
Ms. Law Chi Yin, Cynthia (resigned with effect from 23 May 2024)	78	30	–	–	108
Mr. Zhang Anzhi	200	90	–	–	290
	600	260	–	–	860
	1,200	260	–	–	1,460

During the year ended 31 December 2024, one of the directors, Ms. Han Huihua, waived emoluments of HK\$112,500.

Notes to the Financial Statements *(continued)*

8 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals in the Group for the year include no directors (2024: no directors). The aggregate emoluments in respect of the five (2024: five) highest paid individuals are as follows:

	2025 HK\$'000	2024 HK\$'000
Salaries, allowances and benefits in kind	17,074	16,617
Discretionary bonuses	180	1,377
Retirement scheme contributions	670	632
	17,924	18,626

The emoluments of the non-director and highest paid individuals are within the following bands:

	Number of individuals	
	2025	2024
HK\$2,500,001 – HK\$3,000,000	1	1
HK\$3,000,001 – HK\$3,500,000	2	1
HK\$3,500,001 – HK\$4,000,000	–	1
HK\$4,000,001 – HK\$4,500,000	2	2
	5	5

During the years ended 31 December 2025 and 2024, no emoluments were paid by the Group to any of five highest paid individuals (including Directors) as an inducement to join or upon joining the Group, or as compensation for loss of office.

Notes to the Financial Statements *(continued)*

9 DIVIDENDS

(a) Dividends attributable to the year

	2025 HK\$'000	2024 HK\$'000
Final dividend proposed after the end of reporting period of HK\$0.20 (2024: HK\$0.06) per share	77,906	23,372

At a meeting held on 31 March 2026, the Directors recommended a final dividend of HK\$0.20 per share. This proposed dividend is not reflected as a dividend payable in the Group's consolidated financial statements until it has been approved by the shareholders of the Company and will be reflected as an appropriation of reserves in the year ending 31 December 2026.

(b) Dividends attributable to the previous financial year, approved and paid during the year

	2025 HK\$'000	2024 HK\$'000
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.06 (2024: HK\$0.06) per share	23,372	23,372

No Shareholder has waived or agreed to waive any dividends for the years ended 31 December 2024 and 2025.

10 LOSS PER SHARE

The calculation of basic loss per share is based on loss attributable to shareholders of the Company of HK\$92,393,000 (2024: HK\$50,530,000) and 389,527,932 (2024: 389,527,932) shares in issue during the year.

Diluted loss per share equals to the basic loss per share as the Company had no dilutive potential shares in issue during the year (2024: nil).

Notes to the Financial Statements *(continued)*

11 INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amount

	Property, plant and equipment					Sub-total \$'000	Total \$'000
	Investment properties \$'000	Serviced apartments and hotel \$'000	Other properties leased for own use \$'000	Furniture and fixtures \$'000	Plant and equipment \$'000		
Cost or valuation:							
At 1 January 2024	1,993,100	953,492	61,918	5,827	13,283	1,034,520	3,027,620
Additions	-	-	20,830	-	914	21,744	21,744
Fair value gain	9,900	-	-	-	-	-	9,900
Disposal	(48,400)	-	-	-	-	-	(48,400)
Write-off	-	-	(45,624)	-	-	(45,624)	(45,624)
Exchange adjustments	-	-	-	-	(32)	(32)	(32)
At 31 December 2024	1,954,600	953,492	37,124	5,827	14,165	1,010,608	2,965,208
Representing:							
At cost	-	953,492	37,124	5,827	14,165	1,010,608	1,010,608
At valuation	1,954,600	-	-	-	-	-	1,954,600
	1,954,600	953,492	37,124	5,827	14,165	1,010,608	2,965,208
At 1 January 2025	1,954,600	953,492	37,124	5,827	14,165	1,010,608	2,965,208
Additions	-	-	-	-	186	186	186
Fair value loss	(80,500)	-	-	-	-	-	(80,500)
Write-off	-	-	-	-	(2,103)	(2,103)	(2,103)
Costs written back	-	(11,870)	-	-	-	(11,870)	(11,870)
Exchange adjustments	-	-	-	-	149	149	149
At 31 December 2025	1,874,100	941,622	37,124	5,827	12,397	996,970	2,871,070
Representing:							
At cost	-	941,622	37,124	5,827	12,397	996,970	996,970
At valuation	1,874,100	-	-	-	-	-	1,874,100
	1,874,100	941,622	37,124	5,827	12,397	996,970	2,871,070

Notes to the Financial Statements *(continued)*

11 INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT *(continued)*

(a) Reconciliation of carrying amount *(continued)*

	Property, plant and equipment					Sub-total	Total
	Investment properties	Serviced apartments and hotel	Other properties leased for own use	Furniture and fixtures	Plant and equipment		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Accumulated depreciation:							
At 1 January 2024	-	(4,996)	(45,302)	(291)	(3,652)	(54,241)	(54,241)
Charge for the year	-	(19,845)	(11,340)	(1,166)	(2,919)	(35,270)	(35,270)
Write-off	-	-	45,624	-	-	45,624	45,624
Exchange adjustments	-	-	-	-	23	23	23
At 31 December 2024	-	(24,841)	(11,018)	(1,457)	(6,548)	(43,864)	(43,864)
At 1 January 2025	-	(24,841)	(11,018)	(1,457)	(6,548)	(43,864)	(43,864)
Charge for the year	-	(19,316)	(10,418)	(1,165)	(3,285)	(34,184)	(34,184)
Write-off	-	-	-	-	1,992	1,992	1,992
Exchange adjustments	-	-	-	-	(78)	(78)	(78)
At 31 December 2025	-	(44,157)	(21,436)	(2,622)	(7,919)	(76,134)	(76,134)
Net book value:							
At 31 December 2025	1,874,100	897,465	15,688	3,205	4,478	920,836	2,794,936
At 31 December 2024	1,954,600	928,651	26,106	4,370	7,617	966,744	2,921,344

Notes to the Financial Statements *(continued)*

11 INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT *(continued)*

(a) Reconciliation of carrying amount *(continued)*

(i) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

Fair value at 31 December 2025 HK\$'000	Fair value measurements at 31 December 2025 categorised into		
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000

Recurring fair value measurement

Investment properties:

– Industrial-Hong Kong	1,874,100	–	–	1,874,100
------------------------	------------------	---	---	------------------

Fair value at 31 December 2024 HK\$'000	Fair value measurements at 31 December 2024 categorised into		
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000

Recurring fair value measurement

Investment properties:

– Industrial-Hong Kong	1,954,600	–	–	1,954,600
------------------------	-----------	---	---	-----------

During the year ended 31 December 2025, there were no transfers between Level 1 and Level 2 (2024: nil), or transfers into or out of Level 3 (2024: nil). The Group's policy is to recognise transfers between levels of fair value hierarchy at the end of the reporting period in which they occur.

Notes to the Financial Statements *(continued)*

11 INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT *(continued)*

(b) Fair value measurement of investment properties

The Group's investment properties were revalued at 31 December 2025. The valuation was carried out by independent firm of surveyors, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, which as among its staff experienced members of the Hong Kong Institute of Surveyors with recent experience in the location and category of the property being valued. Management has discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

(i) Information about Level 3 fair value measurements

	Valuation techniques	Significant unobservable input	Range (weighted average)
Investment properties – Hong Kong	Term and reversionary approach	Term period	
		– capitalisation rate	3.6% (2024: 3.5%)
		Reversionary period	
	– capitalisation rate	4.1% (2024: 4%)	
	– market rent per square foot	HK\$9.8–10.6 (HK\$10.2) (2024: HK\$9.9–10.8 (HK\$10.4))	

The fair value of investment properties in Hong Kong is determined by taking into account the net rental income of the property derived from the existing leases with due allowance for the reversionary income potential of the leases, which have been then capitalised to determine the market value at appropriate capitalisation rates, and with reference to the comparable sale transactions as available in the market. The fair value measurement is positively correlated to the market rent per square foot, and negatively correlated to the capitalisation rates.

The movements during the year in the balance of these Level 3 fair value measurements are set out in note 11(a) to the consolidated financial statements.

Fair value adjustment of investment properties is recognised in the line item “(Decrease)/increase in fair value of investment properties” on the face of the consolidated statement of profit or loss.

Notes to the Financial Statements *(continued)*

11 INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT *(continued)*

(c) Investment properties

The Group leases out investment properties under operating leases. The leases typically run for an initial period of 1 to 5 years (2024: 1 to 5 years), with an option to renew the lease after that date at which time all terms are renegotiated.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	61,386	65,253
After 1 year but within 2 years	18,560	30,327
After 2 years but within 3 years	1,516	4,305
After 3 years but within 4 years	199	488
After 4 years but within 5 years	–	188
	81,661	100,561

(d) Other properties leased for own use

The Group has obtained the rights to use certain properties as its offices through tenancy agreements. The leases run for initial periods of 3 to 4.8 years.

(e) Serviced apartments and hotel

The property is located in Hong Kong and with remaining lease term of less than 50 years.

Notes to the Financial Statements *(continued)*

12 INTERESTS IN SUBSIDIARIES AND AMOUNTS DUE FROM SUBSIDIARIES

	The Company	
	2025	2024
	HK\$'000	HK\$'000
Unlisted shares, at cost (note (a))	–	–
Amounts due from subsidiaries (non-current) (note (b))	1,701,650	1,827,979
	1,701,650	1,827,979

Notes:

- (a) The balance represents the subsidiaries' unlisted shares (at cost) of HK\$16 (2024: HK\$16).
- (b) As at 31 December 2025 and 2024, the amounts due from subsidiaries are unsecured, interest-free and recoverable after one year.
- (c) Particulars of the principal subsidiaries are set out on pages 109 and 110.

13 INTERESTS IN ASSOCIATES AND AMOUNTS DUE FROM/TO ASSOCIATES

	2025	2024
	HK\$'000	HK\$'000
Share of net assets	712	48,347
Amount due from an associate (non-current) (note (a))	19,620	26,984
	20,332	75,331
Amount due from an associate (current) (note (a))	658	810
Amount due to an associate (current) (note (b))	2,034	1,434

Notes to the Financial Statements *(continued)*

13 INTERESTS IN ASSOCIATES AND AMOUNTS DUE FROM/TO ASSOCIATES *(continued)*

Details of the Group's interests in associates, which are accounted for using the equity method in the consolidated financial statements, are as follows:

Name of associate	Form of business structure	Place of incorporation and business	Particulars of issued and paid up capital	Proportion of ownership interest			Principal activity
				Group's effective interest	Held by the Company	Held by a subsidiary	
Ultimate Vantage Limited*	Incorporated	Hong Kong	100 ordinary shares (HK\$100)	20%	–	20%	Property development
Gold Value Limited*	Incorporated	Hong Kong	100 ordinary shares (HK\$100)	20%	–	20%	Property financing
657-667 Mission Street Venture LLC**	Incorporated	United States of America ("USA")	US\$33,862,528	45%	–	45%	Investment holding
657-667 Mission Holdings LLC**	Incorporated	USA	US\$33,862,528	45%	–	45%	Investment holding
657-667 Mission Mezz LLC**	Incorporated	USA	US\$33,862,528	45%	–	45%	Financing
657-667 Mission Property Owner LLC**	Incorporated	USA	US\$33,862,528	45%	–	45%	Property investment

* *Unlisted corporate entity whose quoted market price is not available*

657-667 Mission Street Venture LLC and its subsidiaries (together, the "Mission Venture Group")

Notes:

(a) *An amount due from Gold Value Limited ("GVL") of HK\$20,278,000 (2024: HK\$27,794,000) is unsecured and interest-bearing at Hong Kong Prime Rate minus 2.1% per annum. The amount of HK\$658,000 (2024: HK\$810,000) is expected to be recovered within one year, while the remaining amount of HK\$19,620,000 (2024: HK\$26,984,000) will be recovered after one year.*

(b) *An amount due to Ultimate Vantage Limited ("UVL") of HK\$2,034,000 (2024: HK\$1,434,000) is unsecured, interest-free and repayable on demand.*

Notes to the Financial Statements *(continued)*

13 INTERESTS IN ASSOCIATES AND AMOUNTS DUE FROM/TO ASSOCIATES *(continued)*

Summarised financial information of the associates, reconciled to the carrying amount in the consolidated financial statements, are disclosed below:

2025

	UVL HK\$'000	GVL HK\$'000	Mission Venture Group HK\$'000	
Gross amounts of associates				
Non-current assets	–	72,882	–	
Current assets	19,225	32,366	10,492	
Current liabilities	(19,078)	(3,736)	(9,517)	
Non-current liabilities	–	(98,099)	(975)	
Equity	147	3,413	–	
Revenue	–	4,053	–	
Loss for the year	(53)	(64)	(105,804)	
Total comprehensive income	(53)	(64)	(105,804)	
Reconciled to the Group's interest in associates				
Gross amounts of net assets	147	3,413	–	
Group's effective interest	20%	20%	45%	
Group's share of net assets	29	683	–	712
Amount due from an associate – non-current portion	–	19,620	–	19,620
Carrying amount in the consolidated statement of financial position	29	20,303	–	20,332
Amount due from an associate – current portion	–	658	–	658
Amount due to an associate – current portion	(2,034)	–	–	(2,034)

Notes to the Financial Statements *(continued)*

13 INTERESTS IN ASSOCIATES AND AMOUNTS DUE FROM/TO ASSOCIATES *(continued)*

2024

	UVL HK\$'000	GVL HK\$'000	Mission Venture Group HK\$'000	
Gross amounts of associates				
Non-current assets	–	113,046	881,400	
Current assets	19,273	29,879	104,097	
Current liabilities	(19,073)	(4,530)	(32,258)	
Non-current liabilities	–	(134,918)	(847,435)	
Equity	200	3,477	105,804	
Revenue	–	7,685	–	
(Loss)/profit for the year	(22)	972	(114,264)	
Total comprehensive income	(22)	972	(114,264)	
Dividend received from the associate	133,400	–	–	
Additional investment from shareholders	–	–	35,577	
Reconciled to the Group's interest in associates				
Gross amounts of net assets	200	3,477	105,804	
Group's effective interest	20%	20%	45%	
Group's share of net assets	40	695	47,612	48,347
Amount due from an associate – non-current portion	–	26,984	–	26,984
Carrying amount in the consolidated statement of financial position				
	40	27,679	47,612	75,331
Amount due from an associate – current portion	–	810	–	810
Amount due to an associate – current portion	(1,434)	–	–	(1,434)

Notes to the Financial Statements *(continued)*

14 INTERESTS IN JOINT VENTURES

	2025 HK\$'000	2024 HK\$'000
Share of net liabilities	(10,989)	(206)
Amount due from a joint venture (non-current) (note (a))	353,381	296,381
	342,392	296,175

Notes:

- (a) An amount due from Champion Estate (HK) Limited of HK\$353,381,000 (2024: HK\$296,381,000) is unsecured, interest-free and recoverable after one year. As at 31 December 2024, the amount of HK\$296,133,000 was interest-bearing at 3% per annum, while the remaining amount of HK\$248,000 was interest-free.
- (b) As at 31 December 2025, a guarantee provided by the Group for term loan facilities granted by a bank to Champion Estate (HK) Limited of HK\$372,275,000 (2024: HK\$372,275,000) is several and proportionate to the shareholding interest of the Company in Champion Estate (HK) Limited.

Details of the Group's interests in joint ventures, which are accounted for using the equity method in the consolidated financial statements, are as follows:

Name of joint venture	Form of business structure	Place of incorporation and business	Particulars of issued and paid up capital	Proportion of ownership interest				Principal activity
				Group's effective interest	Held by the Company	Held by a subsidiary	Held by a joint venture	
Champion Estate Holdings Limited*	Incorporated	British Virgin Islands	2 ordinary shares (US\$2)	50%	-	50%	-	Investment holding
Champion Estate (HK) Limited*	Incorporated	Hong Kong	1 ordinary share (HK\$1)	50%	-	-	100%	Property development

* Unlisted corporate entity whose quoted market price is not available, Champion Estate Holdings Limited and its subsidiary (together, the "Champion Group")

Notes to the Financial Statements *(continued)*

14 INTERESTS IN JOINT VENTURES *(continued)*

Summarised financial information of the Champion Group, reconciled to the carrying amount in the consolidated financial statements, are disclosed below:

	2025 HK\$'000	2024 HK\$'000
Gross amounts of joint ventures		
Non-current assets	994	–
Current assets	1,540,843	947,184
Current liabilities	(92,932)	(45,331)
Non-current liabilities	(1,470,883)	(902,265)
Deficit	(21,978)	(412)
Revenue	–	–
Loss for the year	(21,566)	(358)
Total comprehensive income	(21,566)	(358)
Reconciled to the Group's interests in joint ventures		
Gross amount of net liabilities	(21,978)	(412)
Group's effective interest	50%	50%
Group's share of net liabilities	(10,989)	(206)
Amount due from a joint venture – non-current portion	353,381	296,381
Carrying amount in the consolidated statement of financial position	342,392	296,175

Notes to the Financial Statements *(continued)*

15 INVENTORIES

	2025 HK\$'000	2024 HK\$'000
<i>Completed properties</i>		
Original costs	463,768	704,718
Less: Provision	(72,000)	(72,000)
	391,768	632,718

The properties are located in No. 221–233 Yee Kuk Street, Sham Shui Po, Kowloon, Hong Kong with remaining lease term between 10 and 50 years. The construction was completed during the year ended 31 December 2024.

Completed properties are expected to be recovered within one year.

Note:

(a) *The analysis of the amount of inventories recognised as an expense and included in the profit or loss is as follows:*

	2025 HK\$'000	2024 HK\$'000
<i>Original costs of inventories sold</i>	229,751	373,525
<i>Reversal of provision on inventories sold</i>	(32,189)	–
<i>Provision on inventories</i>	32,189	72,000
	229,751	445,525

Notes to the Financial Statements *(continued)*

16 TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables (note (a))	1,917	1,339
Unamortised rent receivables	565	1,287
Other receivables	2,513	2,610
Other deposits	7,678	6,828
Prepayments	3,192	10,531
Amount due from an associate (note 13(a))	658	810
Amount due from an intermediate holding company (note (b))	2,004	24,894
Amounts due from fellow subsidiaries (note (b))	30,087	16,100
	48,614	64,399

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of trade receivables based on the date of revenue recognition, is as follows:

	2025 HK\$'000	2024 HK\$'000
0 to 30 days	1,041	1,023
31 to 90 days	822	316
Over 90 days	54	–
	1,917	1,339

Trade receivables are generally due within 15 to 90 days from the date of revenue recognition. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 23(a).

- (b) The amounts due from an intermediate holding company and fellow subsidiaries are unsecured, interest-free and recoverable on demand. Included in the balances were trade receivables from an intermediate holding company and fellow subsidiaries of HK\$2,004,000 (2024: HK\$24,894,000) and HK\$26,751,000 (2024: HK\$15,058,000), respectively, which arose from the provision of asset management services. The ageing of the balance of HK\$14,927,000 (2024: HK\$39,952,000) is less than 30 days from the date of revenue recognition and the ageing of the remaining balance of HK\$13,828,000 (2024: nil) is more than 90 days from the date of revenue recognition.

Notes to the Financial Statements *(continued)*

17 CONTRACT LIABILITIES

	2025 HK\$'000	2024 HK\$'000
Forward sales deposits received	3,122	7,705

The Group receives 5% to 15% of the amount of sale consideration as deposits from customers when they sign the sale and purchase agreements relating to sale of properties. Such deposit is recognised as a contract liability until the property is completed and legally assigned to the customer. The rest of the sale consideration is typically paid when legal assignment is completed.

Movements in contract liabilities

	2025 HK\$'000	2024 HK\$'000
Balance at 1 January	7,705	36,272
Decrease in contract liabilities as a result of recognising revenue during the year that were included in the contract liabilities at the beginning of the year	(7,438)	(33,466)
Increase in contract liabilities as a result of forward sales deposits received from customers during the year in relation to completed properties/properties under development pending assignment at the end of the year	2,855	4,899
Balance at 31 December	3,122	7,705

The sales deposits are expected to be recognised as revenue within one year after the reporting period.

Notes to the Financial Statements *(continued)*

18 OTHER CASH FLOW INFORMATION

(a) Reconciliation of loss before taxation to cash generated from operations:

	Note	2025 HK\$'000	2024 HK\$'000
Loss before taxation		(71,473)	(58,417)
Adjustments for:			
Share of results of associates		46,007	51,228
Share of results of joint ventures		10,783	179
Finance income	5(a)	(11,281)	(19,694)
Finance costs	5(b)	841	16,128
Depreciation	5(d)	34,184	35,270
Decrease/(increase) in fair value of investment properties	11(a)	80,500	(9,900)
Provision on inventories	5(d)	–	72,000
Impairment loss on trade receivables	5(d)	92	75
Changes in working capital:			
Decrease in inventories		240,950	234,939
Decrease in trade and other receivables		17,170	11,923
Decrease in trade and other payables		(17,909)	(50,107)
Decrease in contract liabilities		(4,583)	(28,567)
Cash generated from operations		325,281	255,057

Notes to the Financial Statements *(continued)*

18 OTHER CASH FLOW INFORMATION *(continued)*

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Lease liabilities HK\$'000 (note 20)
At 1 January 2025	28,578
Changes from financing cash flows:	
Capital element of lease rentals paid	(10,378)
Interest element of lease rentals paid	(841)
Total changes from financing cash flows	(11,219)
Other changes:	
Interest expenses (note 5(b))	841
Total other changes	841
At 31 December 2025	18,200

Notes to the Financial Statements *(continued)*

18 OTHER CASH FLOW INFORMATION *(continued)*

(b) Reconciliation of liabilities arising from financing activities *(continued)*

	Lease liabilities HK\$'000 (note 20)	Bank loan HK\$'000	Total HK\$'000
At 1 January 2024	18,334	367,058	385,392
Changes from financing cash flows:			
Capital element of lease rentals paid	(10,586)	–	(10,586)
Interest element of lease rentals paid	(1,145)	–	(1,145)
Interest expense and other finance charges paid	–	(14,445)	(14,445)
Repayment of bank loan	–	(367,596)	(367,596)
Total changes from financing cash flows	(11,731)	(382,041)	(393,772)
Other changes:			
Increase in lease liabilities from entering into new leases during the year	20,830	–	20,830
Interest expenses (note 5(b))	1,145	14,983	16,128
Total other changes	21,975	14,983	36,958
At 31 December 2024	28,578	–	28,578

(c) Major non-cash transaction

During the year ended 31 December 2024, dividend from an associate received amounting to HK\$133,400,000 was settled through the current account with that associate.

Notes to the Financial Statements *(continued)*

19 TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables (note (a))	9,433	14,699
Other payables	14,043	18,842
Rental and other deposits received	25,726	25,190
Accruals	23,249	69,183
Amount due to an associate (note 13(b))	2,034	1,434
Amount due to an intermediate holding company (note (b))	38,590	13,821
Amounts due to fellow subsidiaries (note (b))	2,759	1,842
	115,834	145,011

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of trade payables based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
0 to 90 days	2,767	6,940
Over 90 days	6,666	7,759
	9,433	14,699

- (b) Amounts due to an intermediate holding company and fellow subsidiaries are unsecured, interest-free and repayable on demand. The balance included the amount due to an intermediate holding company of HK\$23,712,000 (2024: nil) that represented the asset management fee paid in advance for the first quarter of 2026 and will be recognised as revenue in next year.
- (c) Except for the rental and other deposits received on properties and other payables of HK\$10,871,000 (2024: HK\$11,603,000) which are expected to be settled after one year, all of the trade payables, other payables, rental and other deposits received and accruals are expected to be settled within one year or repayable on demand.

Notes to the Financial Statements *(continued)*

20 LEASE LIABILITIES

At 31 December 2025, the lease liabilities were repayable as follows:

	2025		2024	
	Present value of the minimum lease payments HK\$'000	Total minimum lease payments HK\$'000	Present value of the minimum lease payments HK\$'000	Total minimum lease payments HK\$'000
Within 1 year	11,432	11,867	10,378	11,219
After 1 year but within 2 years	6,768	6,912	11,432	11,867
After 2 years but within 5 years	–	–	6,768	6,912
	6,768	6,912	18,200	18,779
	18,200	18,779	28,578	29,998
Less: total future interest expenses		(579)		(1,420)
Present value of lease liabilities		18,200		28,578

Notes to the Financial Statements *(continued)*

21 DEFERRED TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The components of deferred tax liabilities/(assets) recognised in the consolidated statement of financial position and the movements during the year are as follows:

	Depreciation allowances in excess of related depreciation HK\$'000	Future benefit of tax loss HK\$'000	Total HK\$'000
Deferred tax arising from:			
At 1 January 2025	47,281	(18,991)	28,290
(Credited)/debited to profit or loss	9,094	(12,473)	(3,379)
At 31 December 2025	56,375	(31,464)	24,911
At 1 January 2024	49,042	(58)	48,984
Credited to profit or loss	(1,761)	(18,933)	(20,694)
At 31 December 2024	47,281	(18,991)	28,290
		2025 HK\$'000	2024 HK\$'000
Net deferred tax assets recognised on the consolidated statement of financial position		(24,023)	(18,935)
Net deferred tax liabilities recognised on the consolidated statement of financial position		48,934	47,225
Total		24,911	28,290

Deferred tax assets not recognised:

The Group has not recognised deferred tax assets of HK\$11,514,000 (2024: HK\$11,854,000) in respect of accumulated tax losses as the availability of future taxable profits against which the assets can be utilised is uncertain at 31 December 2025. The tax losses do not expire under current tax legislation.

Notes to the Financial Statements *(continued)*

22 TOTAL EQUITY

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below.

The Company

	Share capital HK\$'000	Share premium HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2025	3,895	1,030,877	861,420	1,896,192
Changes in equity for 2025:				
Loss and total comprehensive income for the year	–	–	(36,763)	(36,763)
Final dividend approved in respect of the previous year (note 9(b))	–	–	(23,372)	(23,372)
At 31 December 2025	3,895	1,030,877	801,285	1,836,057
	Share capital HK\$'000	Share premium HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2024	3,895	1,030,877	715,364	1,750,136
Changes in equity for 2024:				
Profit and total comprehensive income for the year	–	–	169,428	169,428
Final dividend approved in respect of the previous year (note 9(b))	–	–	(23,372)	(23,372)
At 31 December 2024	3,895	1,030,877	861,420	1,896,192

Notes to the Financial Statements *(continued)*

22 TOTAL EQUITY *(continued)*

(b) Share capital *The Company*

	2025		2024	
	No. of shares	Amount HK\$'000	No. of shares	Amount HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	750,000,000	7,500	750,000,000	7,500
Issued and fully paid:				
Ordinary shares at 1 January and 31 December (HK\$0.01 each)	389,527,932	3,895	389,527,932	3,895

(c) Share premium

The share premium account is governed by the Cayman Companies Law and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in such manner as the Company may, from time to time, determine including, but without limitation (a) paying distributions or dividends to equity shareholders; (b) paying up unissued shares of the Company to be issued to equity shareholders as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Law); (d) writing-off the preliminary expenses of the Company; and (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company.

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(d) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 2(r).

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to meet its financial obligations and continue to provide returns for shareholders and benefits for other stakeholders.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in the Group's business portfolio and economic conditions.

The Group monitors its capital structure by reviewing its net debt-to-equity ratio and cash flow requirements, taking into account of its future financial obligations and commitments. For this purpose, the Group defines net debt as lease liabilities less bank balances and cash. Shareholders' equity comprises issued share capital and reserves attributable to shareholders of the Company.

Notes to the Financial Statements *(continued)*

22 TOTAL EQUITY *(continued)*

(e) Capital management *(continued)*

The net debt-to-equity ratio at the end of the reporting period is as follows:

	2025 HK\$'000	2024 HK\$'000
Lease liabilities (note 20)	18,200	28,578
Less: Bank balances and cash	(686,410)	(457,222)
Net cash	(668,210)	(428,644)
Shareholders' equity	4,105,563	4,221,299
Net debt-to-equity ratio	N/A	N/A

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirement.

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity and foreign currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and other receivables, amount due from an associate, amount due from a joint venture and amounts due from group companies. The Group's exposure to credit risk arising from bank balances and cash is limited because the counterparties are banks and financial institutions with sound credit ratings, for which the Group considers to have low credit risk.

Except for the financial guarantee given by the Group as set out in note 14, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of this financial guarantee at the end of the reporting period is disclosed in note 14.

Notes to the Financial Statements *(continued)*

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(a) Credit risk *(continued)*

Trade receivables

The Group has established a credit risk management policy under which individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 15 to 90 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group has no significant concentration of credit risk in industries or countries in which the customers operate. Significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. Given the Group has not experienced any significant credit losses in the past and holds sufficient rental deposits from tenants to cover the potential exposure to credit risk, the allowance for expected credit losses is insignificant.

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2025 HK\$'000	2024 HK\$'000
Balance at 1 January	75	–
Impairment loss recognised (note 5(d))	92	75
Balance at 31 December	167	75

Other receivables, amount due from an associate, amount due from a joint venture and amounts due from group companies

Other receivables, amount due from an associate, amount due from a joint venture and amounts due from group companies were reviewed at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Notes to the Financial Statements *(continued)*

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(b) Liquidity risk

Cash management of the Company and wholly-owned subsidiaries of the Group are substantially centralised at the Group level. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants (if appropriate), to ensure that it maintains sufficient cash reserves to meet its liquidity requirements in the short and longer term.

The following tables detail the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the Group can be required to pay:

	Contractual undiscounted cash flow			Total HK\$'000	Carrying amount HK\$'000
	Within 1 year or on demand HK\$'000	More than 1 year but less than 2 years HK\$'000	More than 2 years but less than 5 years HK\$'000		
At 31 December 2025					
Trade and other payables	104,963	6,768	4,103	115,834	115,834
Lease liabilities	11,867	6,912	-	18,779	18,200
	116,830	13,680	4,103	134,613	134,034

	Contractual undiscounted cash flow			Total HK\$'000	Carrying amount HK\$'000
	Within 1 year or on demand HK\$'000	More than 1 year but less than 2 years HK\$'000	More than 2 years but less than 5 years HK\$'000		
At 31 December 2024					
Trade and other payables	133,408	8,252	3,351	145,011	145,011
Lease liabilities	11,219	11,867	6,912	29,998	28,578
	144,627	20,119	10,263	175,009	173,589

Notes to the Financial Statements *(continued)*

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES *(continued)*

(c) Foreign currency risk

At 31 December 2025, the Group owns assets and conducts its business in Hong Kong, the United States of America and the United Kingdom with its cash flows mainly denominated in Hong Kong dollars, United States dollars and Britain Pound Sterling respectively. As a result, the Group had no significant exposure to foreign currency risk at 31 December 2025 and 2024.

(d) Fair values

All financial instruments are carried at amounts not materially different from their fair values at 31 December 2025 and 2024.

24 MATERIAL RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions in its ordinary course of business:

	2025 HK\$'000	2024 HK\$'000
Asset management fee income received/receivable from (note (i))		
– an intermediate holding company	110,955	112,227
– fellow subsidiaries	55,817	68,711
Management and administrative fee received/receivable from (note (ii))		
– an intermediate holding company	2,066	2,717
– fellow subsidiaries	1,415	805
Key management compensation (note (iii))	1,505	1,460

Notes:

- (i) *Assets management fee income is charged at terms agreed by both parties. The details of the amounts due from an intermediate holding company and fellow subsidiaries are set out in note 16(b). These transactions constituted continuing connected transactions as defined in Chapter 14A of the Listing Rules. The Company has confirmed that disclosure requirements under Chapter 14A of the Listing Rules have been complied with in respect of these related party transactions.*
- (ii) *Management and administrative fee is charged at terms agreed by both parties. The details of the amount due from an intermediate holding company and fellow subsidiaries are set out in note 16(a). These transactions constituted continuing connected transactions to the Company under the Listing Rules, which are exempted from shareholders' approval, annual review and all disclosure requirements. The Company has confirmed that disclosure requirements under Chapter 14A of the Listing Rules have been complied with in respect of these related party transactions.*
- (iii) *Key management personnel represent the directors of the Company.*

Notes to the Financial Statements *(continued)*

25 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Note	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Interests in subsidiaries	12	1,701,650	1,827,979
Current assets			
Other receivables		237	588
Tax recoverable		685	2,034
Bank balances and cash		291,995	206,051
		292,917	208,673
Current liabilities			
Other payables and accruals		(2,519)	(2,487)
Amount due to a fellow subsidiary		(3)	(2)
Amounts due to subsidiaries		(155,988)	(137,971)
		(158,510)	(140,460)
Net current assets		134,407	68,213
NET ASSETS		1,836,057	1,896,192
CAPITAL AND RESERVES			
	22		
Share capital		3,895	3,895
Reserves		1,832,162	1,892,297
TOTAL EQUITY		1,836,057	1,896,192

Approved and authorised for issue by the board of directors on 31 March 2026.

Sun Jia
Director

Yip Hoi Man
Director

Notes to the Financial Statements *(continued)*

26 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2025

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

	Effective for accounting periods beginning on or after
Amendments to IFRS/HKFRS 9, <i>Financial instruments</i> and IFRS/HKFRS 7, <i>Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
Amendments to IFRS/HKFRS 9, <i>Financial instruments</i> and IFRS/HKFRS 7, <i>Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to IFRS/HKFRS Accounting Standards – Volume 11	1 January 2026
IFRS/HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
IFRS/HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements, except for HKFRS 18, where the presentation and disclosure of the consolidated financial statements are expected to change:

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. HKFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under HKFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt HKFRS 18 and is still in the process of assessing the impact of the adoption.

List of Subsidiaries

At 31 December 2025

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

Name of subsidiary	Place of incorporation	Place of business	Issued share capital	Proportion of ownership interest			Principal activities	
				Group's effective interest	Held by the Company	Held by a subsidiary		
Access Rich Limited	Hong Kong	Hong Kong	Ordinary	HK\$1	100%	–	100%	Property investment
Cheer Win Limited	Hong Kong	Hong Kong	Ordinary	HK\$1	100%	–	100%	Property investment
Chericourt Company Limited	Hong Kong	Hong Kong	Ordinary	HK\$1,000,000	100%	–	100%	Property investment
Lanada (BVI) Company Limited	British Virgin Island	Hong Kong	Ordinary	US\$1	100%	–	100%	Properties development
Realty Asset Limited	Hong Kong	Hong Kong	Ordinary	HK\$1,000	100%	–	100%	Property redevelopment
Vanke Best Company Limited	Hong Kong	Hong Kong	Ordinary	HK\$1	100%	–	100%	Provision of administrative services
Vanke Holdings (Hong Kong) Company Limited	Hong Kong	Hong Kong	Ordinary	HK\$250,000	100%	–	100%	Provision of asset management and administrative services
Vanke Overseas UK Management Limited	United Kingdom	United Kingdom	Ordinary	GBP3,850	100%	–	100%	Provision of investment advisory and asset management services
Vanke US Management LLC	United Stated of America	United Stated of America	Ordinary	US\$10,000	100%	–	100%	Provision of asset management services
Vanke US MGMT Holdco LLC	United Stated of America	United Stated of America	Ordinary	Nil	100%	–	100%	Investment holding
Wkdeveloper Limited	British Virgin Island	Hong Kong	Ordinary	US\$1	100%	–	100%	Investment holding

List of Subsidiaries *(continued)*

At 31 December 2025

Name of subsidiary	Place of incorporation	Place of business	Issued share capital	Proportion of ownership interest			Principal activities
				Group's effective interest	Held by the Company	Held by a subsidiary	
WK Parking Limited	Hong Kong	Hong Kong	Ordinary Deferred HK\$18,000,000 HK\$2,000,000 (note (a))	100%	–	100%	Property Investment
WK Property Financial Limited	Hong Kong	Hong Kong	Ordinary HK\$840	100%	–	100%	Investment holding and property investment
657–667 Mission Vanke B Offshore LLC	United States of America	United States of America	Ordinary US\$15,238,138	100%	–	100%	Investment holding

Note:

- (a) *The deferred shares are held by Winner Company (Hong Kong) Limited and Tatkit (Nominees) Limited, companies in which a former director of the Company has beneficial interest. According to the Memorandum and Articles of Association of WK Parking Limited, the holders of deferred shares practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of WK Parking Limited or to participate in any distribution on winding up unless the assets of WK Parking Limited to be returned on winding up exceed the value of HK\$100,000,000,000.*

List of Properties

At 31 December 2025

(a) Completed and held for investment

Location	Lease expiry	Site area (sq. ft.)	Gross floor area (sq. ft.)	Type	Effective interest
Regent Centre, 63 Wo Yi Hop Road and 70 Ta Chuen Ping Street, The Remaining Portion of Lot No.299 in D.D. No.444, Kwai Chung, New Territories, Hong Kong	2047	103,500	623,000 (60% of the total gross floor areas)	Industrial	100%

(b) Serviced apartments and hotel

Location	Lease expiry	Site area (sq. ft.)	Gross floor area (sq. ft.)	Type	Effective interest
The Stellar, No. 62, 64, 66 and 68 Chun Yeung Street, North Point, Hong Kong	2071	4,340	65,100	Serviced apartments and hotel	100%

(c) Properties under development and completed properties

Location	Lease expiry	Site area (sq. ft.)	Gross floor area (sq. ft.)	Type	Effective interest	Actual/ estimated year of completion
Bondlane I, No. 221–233 Yee Kuk Street, Sham Shui Po, Kowloon, Hong Kong	2047	7,420	63,052	Residential	100%	2024
UNI Residence, Sha Tin Town Lot No. 643, Hin Wo Lane, Shatin, New Territories, Hong Kong (held by a joint venture)	2072	14,890	89,339	Residential	50%	2026

Five-Year Financial Summary

Group results

	Year ended 31 December				
	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Revenue	596,705	775,467	364,291	353,228	461,205
(Loss)/profit for the year	(92,393)	(50,530)	27,699	28,169	424,692
Attributable to					
Shareholders of the Company	(92,393)	(50,530)	27,699	28,169	424,580
Non-controlling interests	–	–	–	–	112
	(92,393)	(50,530)	27,699	28,169	424,692

Summary consolidated statement of financial position

	At 31 December				
	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000
Non-current assets	3,181,683	3,311,785	3,481,429	3,638,152	4,509,754
Net current assets	979,581	974,938	1,243,545	1,361,319	343,370
Total assets less current liabilities	4,161,264	4,286,723	4,724,974	4,999,471	4,853,124
Non-current liabilities	(55,702)	(65,425)	(429,350)	(697,529)	(552,897)
Net assets	4,105,562	4,221,298	4,295,624	4,301,942	4,300,227
Equity attributable to:					
Shareholders of the Company	4,105,563	4,221,299	4,295,625	4,301,943	4,299,885
Non-controlling interests	(1)	(1)	(1)	(1)	342
Total equity	4,105,562	4,221,298	4,295,624	4,301,942	4,300,227