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PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1259)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2025:

Revenue decreased by about 2.9% from approximately HK\$508.5 million of the same period in 2024 to approximately HK\$493.7 million.

Gross profit increased by about 12.8% over the same period in 2024 to approximately HK\$147.3 million.

Gross profit margin increased by around 4.1% over the same period in 2024 to approximately 29.8%.

Loss attributable to equity holders of the Company for the year amounted to approximately HK\$73.2 million, as compared to loss attributable to equity holders of the Company amounted to approximately HK\$53.7 million over the same period in 2024.

Basic loss per share attributable to equity holders of the Company amounted to approximately HK3.32 cents, as compared to basic loss per share attributable to equity holders of the Company amounted to approximately HK2.42 cents over the same period in 2024.

The board (the “**Board**”) of directors (the “**Directors**”) of Prosperous Future Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	5	493,725	508,478
Cost of sales		<u>(346,446)</u>	<u>(377,934)</u>
Gross profit		147,279	130,544
Other income and gains	6	7,779	16,357
Loss on change in fair value of investment properties		(11,800)	(9,700)
Selling and distribution expenses		(38,124)	(41,127)
Administrative expenses		(164,826)	(134,800)
Impairment loss recognised on goodwill		(2,934)	–
Other expenses	7	(2,224)	(12,454)
Finance costs	8	(536)	(682)
Share of profits of associates		<u>1,009</u>	<u>673</u>
Loss before tax	9	(64,377)	(51,189)
Income tax expense	10	<u>(5,281)</u>	<u>(5,197)</u>
Loss for the year		<u>(69,658)</u>	<u>(56,386)</u>
Loss for the year attributable to equity holders of the Company		(73,209)	(53,728)
Profit/(loss) for the year attributable to non-controlling interests		<u>3,551</u>	<u>(2,658)</u>
Loss for the year		<u>(69,658)</u>	<u>(56,386)</u>

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other comprehensive income			
Item that will not be reclassified to profit or loss in subsequent periods:			
Gain on change in fair value of financial assets at fair value through other comprehensive income		<u>655,269</u>	<u>152,613</u>
		<u>655,269</u>	<u>152,613</u>
Total other comprehensive income for the year		<u>655,269</u>	<u>152,613</u>
Total comprehensive income for the year		<u>585,611</u>	<u>96,227</u>
Total comprehensive income for the year attributable to equity holders of the Company		<u>582,060</u>	<u>98,885</u>
Total comprehensive income/(expense) for the year attributable to non-controlling interests		<u>3,551</u>	<u>(2,658)</u>
Total comprehensive income for the year		<u>585,611</u>	<u>96,227</u>
		2025 <i>HK cents</i>	2024 <i>HK cents</i>
Loss per share	12		
Basic		<u>(3.32)</u>	<u>(2.42)</u>
Diluted		<u>(3.32)</u>	<u>(2.42)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		819	1,482
Right-of-use assets		4,638	6,314
Investment properties		29,200	41,000
Goodwill		40,781	40,781
Interests in associates		8,702	7,693
Financial assets at fair value through other comprehensive income		838,763	183,494
Deferred tax assets		499	874
Prepayments, deposits and other receivables		60,997	57,675
		984,399	339,313
CURRENT ASSETS			
Inventories		22,269	37,568
Loan and interest receivables	13	–	–
Trade receivables	14	60,417	69,957
Prepayments, deposits and other receivables		31,254	25,277
Financial assets at fair value through profit or loss		3	–
Segregated funds assets measured at fair value through profit or loss		1,318,517	–
Cash held on behalf of clients		175,775	223,522
Cash and bank balances		319,598	389,388
		1,927,833	745,712

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
CURRENT LIABILITIES			
Trade payables	15	268,331	335,483
Other payables and accruals		35,879	38,638
Financial liabilities – investment contracts measured at fair value through profit or loss		1,318,517	–
Lease liabilities		5,221	6,848
Income tax payable		3,290	4,040
		1,631,238	385,009
NET CURRENT ASSETS			
		296,595	360,703
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,280,994	700,016
NON-CURRENT LIABILITIES			
Lease liabilities		551	3,064
		551	3,064
NET ASSETS			
		1,280,443	696,952
EQUITY			
Share capital		22,034	22,034
Reserves		1,254,781	672,721
Equity attributable to equity holders of the Company		1,276,815	694,755
Non-controlling interests		3,628	2,197
TOTAL EQUITY			
		1,280,443	696,952

NOTES:

1. GENERAL INFORMATION

Prosperous Future Holdings Limited (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company’s registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business in Hong Kong is located at 17/F., EC Healthcare Tower (Central), Nos. 19–20 Connaught Road Central, Central, Hong Kong.

The principal activity of the Company is investment holding. The subsidiaries of the Company are principally engaged in the provision of food and beverage services, provision of financial business, properties holding and investment holding.

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

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standard Board (“**IASB**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

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

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

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

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

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

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

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

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

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments

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

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

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

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

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

3.1 Statement of compliance

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

3.2 Going concern assessment

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

3.3 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 “Share-based Payment”, leasing transactions that are within the scope of IFRS 16 “Leases”, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 “Inventories” or value in use in IAS 36 “Impairment of Assets”.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, based on the degree to which the inputs to the fair value measurements are observable and the significance of the input to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the degree to which the inputs to the fair value measurements are observable and the significance of the input to the fair value measurement in its entirety) at the end of each reporting period.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into the following operating segments based on their products and services:

- (a) Food and beverage – sale of frozen food and beverage products
- (b) Financial business – (i) provision of professional services, such as fund setup and administration, consultancy and co-ordination, corporate and accounting services, data analysis, provision of services regarding dealing in securities and futures contracts, advising on securities and asset management services, securities investments and money lending; (ii) provision of credit card services to individuals or corporation; (iii) insurance and wealth management services
- (c) Properties holding

Segment assets exclude unallocated property, plant and equipment, right-of-use assets, prepayments, deposits and other receivables and cash and bank balances as these assets are managed on a group basis. Segment liabilities exclude unallocated other payables and accruals, lease liabilities, income tax payable and deferred tax liabilities as these liabilities are managed on a group basis.

	Food and beverage <i>HK\$'000</i>	Financial business <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue and segment results				
Year ended 31 December 2025				
Revenue from external customers	373,110	119,250	1,365	493,725
Inter-segment revenue	–	–	–	–
Segment revenue	<u>373,110</u>	<u>119,250</u>	<u>1,365</u>	<u>493,725</u>
Segment profit/(loss)	<u>5,909</u>	<u>(41,466)</u>	<u>(12,488)</u>	<u>(48,045)</u>
Interest income from bank deposits				5,091
Other unallocated income and gains				453
Corporate and other unallocated expenses				(21,340)
Finance costs				<u>(536)</u>
Loss before tax				<u>(64,377)</u>
	Food and beverage <i>HK\$'000</i>	Financial business <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets and segment liabilities				
As at 31 December 2025				
Segment assets	<u>118,393</u>	<u>2,717,811</u>	<u>31,420</u>	<u>2,867,624</u>
Goodwill				40,781
Corporate and other unallocated assets				<u>3,827</u>
Total assets				<u>2,912,232</u>
Segment liabilities	<u>8,036</u>	<u>1,621,028</u>	<u>259</u>	<u>1,629,323</u>
Corporate and other unallocated liabilities				<u>2,466</u>
Total liabilities				<u>1,631,789</u>

	Food and beverage <i>HK\$'000</i>	Financial business <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue and segment results				
Year ended 31 December 2024				
Revenue from external customers	405,377	101,678	1,423	508,478
Inter-segment revenue	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Segment revenue	<u>405,377</u>	<u>101,678</u>	<u>1,423</u>	<u>508,478</u>
Segment profit/(loss)	<u>9,928</u>	<u>(41,808)</u>	<u>(19,473)</u>	<u>(51,353)</u>
Interest income from bank deposits				6,697
Other unallocated income and gains				5,710
Gain on disposal of subsidiaries				1,874
Corporate and other unallocated expenses				(13,435)
Finance costs				<u>(682)</u>
Loss before tax				<u>(51,189)</u>
	Food and beverage <i>HK\$'000</i>	Financial business <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets and segment liabilities				
As at 31 December 2024				
Segment assets	<u>128,123</u>	<u>837,132</u>	<u>42,757</u>	<u>1,008,012</u>
Goodwill				40,781
Corporate and other unallocated assets				<u>36,232</u>
Total assets				<u>1,085,025</u>
Segment liabilities	<u>17,723</u>	<u>366,076</u>	<u>297</u>	<u>384,096</u>
Corporate and other unallocated liabilities				<u>3,977</u>
Total liabilities				<u>388,073</u>

	Food and beverage <i>HK\$'000</i>	Financial business <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
Other segment information				
Year ended 31 December 2025				
Depreciation charge*	<u>486</u>	<u>4,838</u>	–	<u>5,324</u>
Unallocated				<u>1,255</u>
Total depreciation charge				<u>6,579</u>
Capital expenditure**	<u>–</u>	<u>50</u>	–	<u>50</u>
Unallocated				<u>–</u>
Total capital expenditure				<u>50</u>
Year ended 31 December 2024				
Depreciation charge*	<u>764</u>	<u>7,600</u>	–	<u>8,364</u>
Unallocated				<u>1,272</u>
Total depreciation charge				<u>9,636</u>
Capital expenditure**	<u>6</u>	<u>126</u>	–	<u>132</u>
Unallocated				<u>–</u>
Total capital expenditure				<u>132</u>

* Depreciation charge consists of depreciation of property, plant and equipment and right-of-use assets.

** Capital expenditure consists of additions to property, plant and equipment.

Geographical information

Information about the Group's revenue from external customers from continuing operations is presented based on the location of customers as detailed below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	418,826	449,514
Overseas	<u>74,899</u>	<u>58,964</u>
	<u>493,725</u>	<u>508,478</u>

Information about major customers

No individual customers contributing over 10% of the revenue of the Group for both of years presented.

5. REVENUE

An analysis of the Group's revenue by major products and services categories for the year are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Income from food and beverage business	373,110	405,377
Income from provision of professional services	76,962	77,592
Income from provision of services regarding dealing in securities and futures contracts	3,796	7,269
Income from asset management and advising on securities services	8,483	7,444
Income from credit card handling charges	20,937	9,343
Income from insurance and wealth management services	9,072	–
	<hr/>	<hr/>
Revenue from contracts with customers	492,360	507,025
	<hr/>	<hr/>
Margin interest income from securities brokerage business	–	30
Rental income from lease of investment properties	1,365	1,423
	<hr/>	<hr/>
Revenue from other source	1,365	1,453
	<hr/>	<hr/>
Total revenue	<u>493,725</u>	<u>508,478</u>

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by timing of revenue recognition:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Timing of revenue recognition		
At a point in time	434,399	450,617
Over time	57,961	56,408
	<hr/>	<hr/>
	<u>492,360</u>	<u>507,025</u>

Income from food and beverage business represents sales of frozen food and beverage products which is recognised at a point in time, when the Group satisfies performance obligations by transferring the promised goods or services to its customers, being when the goods have been delivered to the customers.

Income from provision of professional services mainly includes (i) services rendered for fund set up is recognised over time in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of actual services provided as a proportion of the total service to be provided, (ii) fund administration and consultancy services which are recognised over time based on contractual terms specified in the underlying agreements, as the customer simultaneously receives and consumes the benefit provided by the Group as the Group performs and revenue can be measured reliably and (iii) other corporate services which are recognised at a point in time when the services for the transactions are completed under the terms of each engagement, as only that time the Group has a present right to payment from the customers for the service performed.

Income from the provision of services regarding dealing in securities and futures contracts is recognised at a point in time on a trade date basis when the relevant transactions are executed.

Income from asset management and advising on securities services is recognised over time based on contractual terms specified in the underlying agreements, as the customer simultaneously receives and consumes the benefit providing by the Group performs and revenue can be measured reliably.

The Group receives handling charges from credit card transactions. Revenue is recognised at a point in time when the Group has satisfied its performance obligation in providing the promised services to the customer (i.e. completion of the transactions), and are recognised based on contractual rates agreed with customers.

Income from insurance and wealth management service mainly includes (i) the acceptance fee relates to underwriting and issuing the policy at inception; (ii) quarterly administrative fees relate to ongoing services and are recognised over the relevant period; (iii) the mortality and expense fees represent consideration for ongoing asset management, administration and residual mortality services provided to policyholders during the period, which is recognised over time as the services are rendered; and (iv) insurance brokerage commission income is recognised at a point in time when the services is completed, according to the nature and terms of the contracts.

6. OTHER INCOME AND GAINS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income from bank deposits	5,091	6,697
Reversal of impairment loss on loan and interest receivables (note 13)	1,650	757
Reversal of impairment loss on trade receivables arising from other business, net (note 14)	–	1,240
Income from other services	654	5,651
Gain on disposal of subsidiary	–	1,874
Dividend income from equity investments	–	58
Loan interest income	334	–
Sundry income	50	80
	<hr/>	<hr/>
Other income and gains	7,779	16,357
	<hr/> <hr/>	<hr/> <hr/>

7. OTHER EXPENSES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Impairment loss on properties for development	–	9,200
Impairment loss on trade receivables arising from other business, net	1,440	–
Written off of trade receivables arising from other business	748	–
Impairment loss on trade receivables arising from margin clients	36	206
Impairment loss on property, plant and equipment	–	15
Impairment loss on right-of-use assets	–	3,033
	<u>2,224</u>	<u>12,454</u>

8. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on bank borrowings	–	2
Finance costs on lease liabilities	536	680
	<u>536</u>	<u>682</u>

9. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of inventories sold	331,027	355,141
Depreciation of property, plant and equipment	713	1,579
Depreciation of right-of-use assets	5,866	8,057
Storage expenses	16,180	18,433
Short-term lease expenses	1,085	2,350
Employee benefit expenses (including directors' remuneration):		
Wages and salaries	97,277	78,930
Retirement benefit scheme contributions	2,857	2,077
Total staff costs	<u>100,134</u>	<u>81,007</u>
Auditor's remuneration		
– audit services	2,429	2,288
– non-audit services	120	318
Net foreign exchange losses	<u>4,027</u>	<u>1,355</u>

10. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax expense		
Hong Kong Profits Tax	3,910	3,561
Under-provision of tax in prior year	1,004	66
	<u>4,914</u>	<u>3,627</u>
Deferred tax expense	367	1,570
	<u>5,281</u>	<u>5,197</u>

Under the two-tiered Hong Kong profits tax rates regime, the first HK\$2 million of the assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5%.

For the years ended 31 December 2025 and 2024, Hong Kong profits tax is calculated in accordance with the two-tiered Hong Kong profits tax rates regime.

Overseas tax is calculated at the rates applicable in the respective jurisdictions.

11. DIVIDENDS

The directors of the Company do not recommend any payment of a dividend in respect of the year ended 31 December 2025 (2024: Nil).

12. LOSS PER SHARE

The calculation of the basic loss per share attributable to equity holders of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss		
Loss for the purpose of basic loss per share		
Loss for the year attributable to equity holders of the Company	<u>(73,209)</u>	<u>(53,728)</u>
	2025	2024
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>2,203,361</u>	<u>2,222,219</u>

For the years ended 31 December 2025 and 2024, basic loss per share is the same as diluted loss per share. There are no dilutive effects on the share options granted as they are anti-dilutive.

13. LOAN AND INTEREST RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loan and interest receivables – repayable within one year	<u>1,554</u>	<u>3,204</u>
Less: impairment loss recognised	<u>1,554</u> <u>(1,554)</u>	<u>3,204</u> <u>(3,204)</u>
	<u><u>–</u></u>	<u><u>–</u></u>

Movements during the year are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	–	–
Loans and interest repaid by borrower	(1,650)	(757)
Reversal of impairment loss recognised (<i>note 6</i>)	<u>1,650</u>	<u>757</u>
At 31 December	<u><u>–</u></u>	<u><u>–</u></u>

Movements of impairment loss on loan and interest receivables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	3,204	4,130
Reversal of impairment loss recognised (<i>note 6</i>)	(1,650)	(757)
Loan and interest receivables written off	<u>–</u>	<u>(169)</u>
At 31 December	<u><u>1,554</u></u>	<u><u>3,204</u></u>

Details of loan receivables (excluding interest receivables) are as follows:

31 December 2025

Loan principal amount <i>HK\$'000</i>	Number of borrowers	Interest rate per annum	Maturity date	Security pledged
1,554	1	24.0%	Due	Nil

31 December 2024

Loan principal amount <i>HK\$'000</i>	Number of borrowers	Interest rate per annum	Maturity date	Security pledged
3,204	1	24.0%	Due	Nil

Loan and interest receivables thereon were to be settled by the borrowers at their respective maturity dates.

14. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables arising from provision of dealing in securities and futures contracts services		
– Clearing house, brokers and cash clients (<i>note a</i>)	4,484	6,976
– Margin clients (<i>note b</i>)	–	36
Trade receivables arising from other business (<i>note c</i>)	58,886	64,458
	63,370	71,470
Less: allowance for trade receivables from other business	(2,953)	(1,513)
	60,417	69,957

Notes:

- (a) The trade receivables from dealing in securities and futures contracts services represent receivables from clearing house, brokers and cash clients. The settlement terms of these trade receivables are one to two days after trade date. The trade receivables are not past due as at 31 December 2025 based on settlement terms and are not impaired since they are settled subsequent to 31 December 2025. No aging analysis of the trade receivables from clearing house, brokers and cash clients are disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.

- (b) The trade receivables from margin clients are repayable on demand and carry interest at interest rate ranged from 8.0% to 12.0% per annum. For credit facilities granted by the Group to margin clients, the margin clients are required to pledge their securities collateral to the Group, and the credit facilities granted is determined by the discounted market value of pledged securities in accordance with the Group's margin lending policies at a specified loan-to-collateral ratio.

At 31 December 2025, the market value of securities pledged as collateral in respect of the trade receivables from margin clients was HK\$Nil (2024: HK\$36,000).

No aging analysis of the trade receivables from margin clients are disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.

- (c) Trade receivables arising from other business include trade receivables arising from food and beverage and provision of professional services.

The Group's trading terms with its customers of other business are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 days to 180 days (2024: 30 days to 180 days).

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables arising from other business as at the end of the reporting period, based on the invoice date, net of allowance, is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	32,882	45,686
31 to 60 days	10,266	13,500
61 to 90 days	4,319	2,505
91 to 180 days	3,776	502
181 to 365 days	3,296	178
Over 365 days	1,394	574
	55,933	62,945

15. TRADE PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables arising from dealing in securities, futures contracts services and credit card services (<i>note a</i>)	179,340	282,416
Trade payables arising from provision of escrow services (<i>note b</i>)	87,278	49,884
Trade payables arising from other business (<i>note c</i>)	1,713	3,183
	<u>268,331</u>	<u>335,483</u>

Notes:

- (a) Trade payables arising from (i) dealing in securities and futures contracts services represent payables to clearing house and cash clients and (ii) credit card deposits from customers. The settlement terms of these trade payables are two days after trade date.

No aging analysis of the trade payables to clearing house, cash clients and credit card customers is disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.

- (b) Trade payables arising from provision of escrow services represent funds placed in the Group's bank accounts by its escrow clients (cash deposited with the Group's bank accounts are presented as "cash held on behalf of clients" under current assets in the Group's consolidated statement of financial position). Settlement of these payables is effected when the related funds transferred out of the Group's bank accounts in accordance with the escrow clients' instructions.

No aging analysis of the trade payables to escrow client is disclosed as management of the Group is of the view that the aging analysis does not give additional value in view of the nature of this business.

- (c) Trade payables arising from other business include trade payables arising from food and beverage and provision of professional services business.

An aged analysis of the trade payables arising from other business as at the end of the reporting period, based on invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	675	1,200
31 to 90 days	332	948
91 to 180 days	–	87
Over 180 days	706	948
	<u>1,713</u>	<u>3,183</u>

The trade payables are interest-free and are normally settled on terms of 30 days to 180 days (2024: 30 days to 180 days).

MANAGEMENT DISCUSSION AND ANALYSIS

The principal activity of Prosperous Future Holdings Limited (the “**Company**”) is investment holding. The subsidiaries of the Company are principally engaged in the provision of food and beverage services, provision of financial business, properties holding and investment holding. The Company and its subsidiaries are hereinafter referred to as the “**Group**”.

BUSINESS REVIEW

Provision of Food and Beverage Services

During the Reporting Period, the Group’s business segment of provision of food and beverage services business recorded a revenue of approximately HK\$373.1 million, representing a decrease of about 8.0% over the last year (31 December 2024: approximately HK\$405.4 million). The food and beverage market experienced a difficult year in 2025. The widespread closure and downsizing of retail and restaurant operators in Hong Kong, among them some prominent catering brands, considerably weakened wholesale demand, with heightened market competition adding further downward pressure on prices.

The total gross profit for provision of food and beverage services was approximately HK\$42.1 million for the Reporting Period, representing a decrease of approximately HK\$8.1 million as compared with approximately HK\$50.2 million for the year ended 31 December 2024. The decrease in gross profit is in line with the decrease in revenue. Gross profit margin decreased to approximately 11.3%, representing a decrease of approximately 1.1% compared with last year. The decline in gross profit margin was primarily due to intense market competition and a challenging economic environment.

The provision of food and beverage services business recorded a segment profit of approximately HK\$5.9 million during the Reporting Period (31 December 2024: approximately HK\$9.9 million). The decrease in profit was mainly due to decrease in revenue as stated above.

Provision of Financial Business

The Group’s business segment of provision of financial business includes securities investment, provision of professional services, securities brokerage, margin financing, advising on securities and asset management services, money lending and credit card issuing and insurance and wealth management.

During the Reporting Period, the Group’s business segment of provision of financial business contributed a total revenue of approximately HK\$119.3 million to the Group (31 December 2024: approximately HK\$101.7 million), representing a year-on-year increase of approximately 17.3%.

The provision of financial business recorded a loss of approximately HK\$41.5 million (31 December 2024: approximately HK\$41.8 million).

– *Securities Investment Business*

The Group’s securities investment includes investment in listed securities and private unlisted fund for long-term purposes which are classified as financial assets at fair value through other comprehensive income.

As at 31 December 2025, the Group had a portfolio of securities investment of approximately HK\$838.8 million, which consisted of equity securities listed in Hong Kong of approximately HK\$37.4 million and unlisted investment funds of approximately HK\$801.4 million.

We stayed cautious on opening new position on securities trading during the Reporting Period. The securities investment business recorded a loss of approximately HK\$0.1 million (31 December 2024: approximately HK\$0.1 million).

Details of the significant investment (including any investment in an investee with a value of 5% or more of the Group’s total assets as of 31 December 2025) performance during the Reporting Period are as follow:

Name of the investment	Movement for the year				% to the total assets of the Group as at 31 December 2025	Unrealised gain recorded in other comprehensive income for the year	Dividend received during the year
	% to the total assets of the Group as at 1 January 2025	Fair value as at 1 January 2025	Change on fair value	Fair value as at 31 December 2025			
	%	HK\$'000	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000
Unlisted fund							
HS Plus Global Investment							
Fund SPC – APLUS							
Asset Growth SP	15.51	168,314	633,062	801,376	27.52	633,062	–

Note: HS Plus Global Investment Fund SPC – APLUS Asset Growth SP (“**HP Fund SPC**”) is established by certain external fund manager which is principally engaged in securities investments. The Group aims at long-term capital growth for its investment in HP Fund SPC which is classified as financial assets at fair value through other comprehensive income.

– Securities Brokerage, Margin Financing, Asset Management and Professional Services Business

The Group currently provides brokerage services for securities, futures and other related products, margin financing as well as asset management services, to individuals and corporate clients. With a well-structured team of experienced professionals, the Group also offers fund administration and other relevant professional services to investment funds and corporates.

For the Reporting Period, this business recorded a total turnover of approximately HK\$89.2 million (31 December 2024: approximately HK\$92.4 million) due to decrease in commission income from provision of services regarding dealing in securities and futures contracts.

This business recorded a total profit of approximately HK\$25.3 million during the Reporting Period (31 December 2024: approximately HK\$0.4 million). The increase in profit is mainly attributable to the decrease in staff cost and advertising expense.

An impairment loss of trade receivables arising from margin financing of approximately HK\$36,000 (31 December 2024: approximately HK\$0.2 million) was recognised during the Reporting Period.

As at 31 December 2025, the total value of outstanding trade receivables arising from margin financing is zero. As at 31 December 2025, margin loans with gross carrying amount of HK\$6.4 million with interest rate of approximately 12.0% per annum and repayment on demand were assessed as credit-impaired due to margin shortfall. Those margin loans were secured by certain securities with no market value at the end of the Reporting Period.

As stated in the above paragraph, margin loans of two customers with the total gross carrying amount of approximately HK\$6.4 million were assessed as credit-impaired as at 31 December 2025. In the prior year, the market price of listed securities pledged by those margin clients significantly declined, and they failed to fully make up the margin shortfall by providing sufficient monetary amount of additional collaterals or repayment. Accordingly forced sale of the relevant pledged securities of the clients' position in the open market were executed in the prior year. An accumulated impairment provision of approximately HK\$6.4 million was made for these two exposures at the end of the Reporting Period.

The Group's gross trade receivables from margin financing were concentrated, in which 50.0% (approximately HK\$3.2 million) and 100.0% (approximately HK\$6.4 million) of such receivables were due from the largest borrower and the top two borrowers, respectively.

The Group will continue to provide tailor-made financial solutions and professional services in connection with financial products and funds to our clients in future.

– Money Lending Business and Credit Card Business

The Group's money lending and credit card business recorded a turnover of approximately HK\$21.0 million (31 December 2024: approximately HK\$9.3 million) due to increase in credit card handling charges for customers' retail purchases recognized during the Reporting Period.

As at 31 December 2025, the Group's money lending and credit card business has a gross carrying amount of loan and interest receivables of approximately HK\$1.6 million, representing one unsecured loans with average effective interest rate of 24% per annum with terms in 12 months.

The Group's gross loan and interest receivables were concentrated. Such receivables were due from the only one borrower.

When the Group discovers that a borrower has become bankrupt, the Group will fully write off the loan and interest receivables of that borrower. None of the loan and interest receivables were written off during the year ended 31 December 2025 (31 December 2024: approximately HK\$0.2 million).

The Group accounts for its credit risk by providing for expected credit losses on a timely basis where appropriate. In computing the rate for the expected credit loss, the Group takes into account of the historical loss rates for each category of receivables and adjusts for forward-looking macroeconomic data.

A reversal of impairment loss on loan and interest receivables of approximately HK\$1.7 million was recognised during the year ended 31 December 2025 mainly due to the overall decrease in gross loan and interest receivables in the same period as there were repayments made during the year (31 December 2024: approximately HK\$0.8 million).

The provision of money lending and credit card business recorded a loss of approximately HK\$65.1 million (31 December 2024: approximately HK\$42.1 million). The increase in loss was primarily due to higher staff costs in 2025, reflecting the full-year impact of headcount growth in 2024 to enhance system development and strengthen customer service capabilities in our money lending and credit card businesses.

The Group's original money lending business consists of granting of loans to a variety of customers, including both individuals and corporations, and is conducted primarily through PFH Finance, which is a money lender licenced in Hong Kong under the provisions of the Money Lenders Ordinance. The Group strives to adhere to a set of comprehensive policy and procedural manual in respect of loan approval, loan renewal, loan recovery, loan compliance, monitoring and anti-money laundering and counter-terrorist financing. The source of funds of PFH Finance is mainly from the Group's internal funds. The main source of potential borrowers were referrals from existing customers, employees or business partners.

– Insurance and Wealth Management

During the Reporting Period, the Group has successfully launched the insurance and wealth management operations and primarily focused on offering of private placement life insurance, which is a life insurance product offering both death benefit protection and accumulative investment growth opportunities to the policyholder within the policy. The insurance and wealth management business recorded a turnover of approximately HK\$9.1 million, mainly derived from fee income and related service charges. The segment reported a loss of approximately HK\$1.6 million, primarily attributable to staff costs incurred during the period.

The Group manages segregated funds on behalf of policyholders. As at 31 December 2025, the total value of investments held by these segregated funds amounted to approximately HK\$1,318.5 million. Under the relevant policy contracts, the benefit amounts are directly linked to the fair value of the underlying investments in each segregated fund. Segregated funds assets include a range of underlying investments in short-term securities, government debt securities, real properties and other investments. The contractual arrangements are such that the segregated fund policyholder bears the risk and rewards of the fund's investment performance. The segregated funds net liabilities, representing the obligation to pay the policyholders an amount equal to the fair value of the underlying investments, amounted at HK\$1,318.5 million as at 31 December 2025.

Looking ahead, the Group will continue to expand and enhance its suite of comprehensive insurance solutions and wealth planning services designed to meet the sophisticated needs of high-net-worth individuals.

Properties Holding

The Group currently holds certain industrial properties located at Cheung Sha Wan, Hong Kong and leased out some of these properties.

During the Reporting Period, the business segment of properties holding reported a stable revenue of approximately HK\$1.4 million (31 December 2024: approximately HK\$1.4 million).

During the prior year ended 31 December 2024, the Group disposed its entire interest in Apex Magic International Limited (“**Apex Magic**”) together with the subsidiaries of Apex Magic, which held certain properties for redevelopment in Yuen Long, Hong Kong. A net gain of approximately HK\$1.9 million was recognized for such disposal.

The properties holding business recorded a segment loss of approximately HK\$12.5 million (31 December 2024: approximately HK\$19.5 million).

The loss on change in fair value of investment properties of approximately HK\$11.8 million was provided during the Reporting Period (31 December 2024: approximately HK\$9.7 million).

No impairment loss on properties for development was recorded during the Reporting Period (31 December 2024: approximately HK\$9.2 million).

FINANCIAL REVIEW

Revenue

During the Reporting Period, the revenue of the Group was approximately HK\$493.7 million, representing a decrease of about 2.9% over the last year (for the year ended 31 December 2024: approximately HK\$508.5 million).

Gross Profit and Gross Profit Margin

Gross profit of the Group for the Reporting Period was approximately HK\$147.3 million, representing an increase of about 12.8% as compared with the gross profit of approximately HK\$130.5 million for the year ended 31 December 2024. The increase in the gross profit was mainly due to increase in gross profit of provision of financial business.

During the Reporting Period, the gross profit margin increased by approximately 4.1% over the last year to approximately 29.8% (for the year ended 31 December 2024: approximately 25.7%). The increase in overall gross profit margin was primarily due to increase in gross profit margin of provision of financial business.

Other Income and Gains

Other income and gains mainly comprised of interest income from bank deposits, income from other services and other miscellaneous income or gains. Other income and gains amounted to approximately HK\$7.8 million for the Reporting Period, representing a decrease of 52.4% as compared with approximately HK\$16.4 million for the same period of last year. The decrease is primarily attributable to decrease in income from other services and interest income from bank deposits.

Selling and Distribution Expenses

Selling and distribution expenses primarily consisted of storage and logistic costs, advertising expenses, salaries expenses of sales personnel and other expenses. Selling and distribution expenses amounted to approximately HK\$38.1 million for the Reporting Period, representing a decrease of about 7.3% as compared with approximately HK\$41.1 million for the year ended 31 December 2024. The decrease was mainly due to decrease in storage and logistic costs.

The selling and distribution expenses accounted for approximately 7.7% of the revenue during the Reporting Period (for the year ended 31 December 2024: approximately 8.1%), among which, storage and logistic costs, as a percentage of revenue, decreased from approximately 4.9% for the year ended 31 December 2024 to approximately 4.5% for the Reporting Period.

Administrative Expenses

Administrative expenses primarily consisted of salaries and wages for administrative staff, professional fees, depreciation and other expenses. Administrative expenses of the Group amounted to approximately HK\$164.8 million for the Reporting Period (for the year ended 31 December 2024: approximately HK\$134.8 million), representing an increase of approximately 22.3% over the last year. The increase was mainly due to increases in wages and salaries incurred by our money lending and credit card business during the year.

Administrative expenses accounted for approximately 33.4% of the Group's revenue for the Reporting Period (for the year ended 31 December 2024: approximately 26.5%).

Other Expenses

Other expenses mainly represent impairment losses on properties for development, right-of-use assets and trade receivables arising from other business. Other expenses amounted to approximately HK\$2.2 million for the Reporting Period, marking a 82.1% year-over-year decline from approximately HK\$12.5 million for the year ended 31 December 2024. The decrease was resulted from no impairment loss on right-of-use assets and properties for development recognized during the year.

Finance Costs

The Group had finance costs of approximately HK\$0.5 million for the Reporting Period (for the year ended 31 December 2024: approximately HK\$0.7 million).

Disposal of Subsidiaries

Apex Magic International Limited (“Apex Magic”)

On 20 November 2024, the Company as the vendor entered into the sale and purchase agreement with Deutschland Auto Spare Parts GMBH Limited as the purchaser, to sell its entire interest in Apex Magic International Limited (“**Apex Magic**”), and 100% of all liabilities and debts owing by Apex Magic to the Company at a consideration of HK\$27 million (the “**Disposal**”). Apex Magic is a 50% shareholder of Jumbo Excel Investment Corporation (“**Jumbo Excel**”). Jumbo Excel, through its subsidiaries, held indirect interest in certain land and properties in Yuen Long, Hong Kong. As the highest applicable percentage ratio in respect of the Disposals on an aggregated basis exceeds 5% but is lower than 25%, the Disposal constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. For details of the Disposal, please refer to the Company's announcement dated 20 November 2024. A net gain of approximately HK\$1.9 million was recognized for the Disposal.

Significant Investments Held, Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies, and Plans for Material Investments or Capital Assets

Save as disclosed in the above section headed “Disposal of Subsidiaries”, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies for the year ended 31 December 2025. Saved as disclosed in the above section headed “Business Review – Provision of Financial Business – Securities Investment Business”, the Group did not hold any significant investments as at 31 December 2025. The Group does not have any future plans in relation to material investments or capital assets.

Net Loss and Net Loss Margin

For the Reporting Period, loss attributable to equity holders of the Company amounted to approximately HK\$73.2 million as compared with loss attributable to equity holders of the Company of approximately HK\$53.7 million for the year ended 31 December 2024. The net loss margin was approximately 14.8% as compared with the net loss margin of approximately 10.6% for the year ended 31 December 2024, with basic loss per share of approximately HK3.32 cents (basic loss per share for the year ended 31 December 2024: approximately HK2.42 cents).

Capital Expenditure

For the Reporting Period, the Group’s material capital expenditure (consists of addition to property, plant and equipment and investment properties) amounted to approximately HK\$0.1 million (for the year ended 31 December 2024: approximately HK\$0.1 million), which was mainly used for renovation of our offices and acquisition of office equipment.

Financial Resources and Liquidity

As at 31 December 2025, cash and bank balances of the Group amounted to approximately HK\$319.6 million (for the year ended 31 December 2024: approximately HK\$389.4 million). The current ratio was 1.2 (for the year ended 31 December 2024: 1.9). Our liquidity remained healthy. The uses of balance of cash and bank balances were mainly as follows: firstly, providing the liquid capital and strengthening the operation of the provision of financial business; secondly, developing the provision of food and beverage services business; and thirdly, pursuing potential acquisition and investment opportunities.

Fundraising Activities

During the Reporting Period, the Company had not issued any equity securities for cash.

Loan and Interest Receivables

As at 31 December 2025 and 2024, the Group's loan and interest receivables were nil. During the year ended 31 December 2025 and 2024, the Group did not enter into any additional loan arrangements with customers.

A reversal of impairment loss on loan and interest receivables of approximately HK\$1.7 million was made during the Reporting Period (31 December 2024: approximately HK\$0.8 million).

During the Reporting Period, the Company has not written off any loan and interest receivables. (31 December 2024: HK\$0.2 million). Such receivables were fully impaired in prior years.

Trade Receivables

As at 31 December 2025, the Group's trade receivables were approximately HK\$60.4 million (31 December 2024: approximately HK\$70.0 million). The amount included trade receivables arising from margin financing was nil (31 December 2024: approximately HK\$36,000) with repayment on demand clause and trade receivables arising from dealing in securities and futures contracts services (clearing house, brokers and cash clients) approximately HK\$4.5 million (31 December 2024: approximately HK\$7.0 million) to be settled one to two days after trade date. Besides, the Group usually grants a credit period of 30 to 180 days to the customers for settling trade receivables arising from the remaining businesses amounted at approximately HK\$56.3 million (31 December 2024: approximately HK\$62.9 million).

The impairment loss on trade receivables arising from margin financing of approximately HK\$36,000 was made during the Reporting Period (31 December 2024: approximately HK\$0.2 million). An impairment loss on trade receivables arising from the remaining businesses of approximately HK\$1.4 million was made during the Reporting Period (31 December 2024: reversal of approximately HK\$1.2 million).

Trade Payables

As at 31 December 2025, trade payables were approximately HK\$268.3 million (31 December 2024: approximately HK\$335.5 million), of which included trade payables arising from dealing in securities and futures contracts services approximately HK\$179.3 million (31 December 2024: approximately HK\$282.4 million) to be settled one to two days after trade date and trade payables arising from provision of escrow services approximately HK\$87.3 million (31 December 2024: approximately HK\$49.9 million) of which payments shall be made upon client's request. Besides, the Group normally settled the remaining payables arising from other businesses amounted at approximately HK\$1.7 million (31 December 2024: approximately HK\$3.2 million) on terms of 30 to 180 days and kept good payment records.

Inventories

As at 31 December 2025, inventories of the Group were approximately HK\$22.3 million (31 December 2024: approximately HK\$37.6 million). As at 31 December 2025, the inventory balance decreased by approximately 40.7% over 31 December 2024.

Gearing Ratio

As at 31 December 2025, the current assets and total assets of the Group were approximately HK\$1,927.8 million and HK\$2,912.2 million respectively, the current liabilities and total liabilities of the Group were approximately HK\$1,631.2 million and HK\$1,631.8 million respectively. The gearing ratio (total liabilities/total assets) of the Group was approximately 56.0% (31 December 2024: approximately 35.8%).

Bank Borrowings

As at 31 December 2025 and 2024, the Group did not have any bank borrowings. No facility was provided to the Group from banks as at 31 December 2025 and 2024.

Pledge of Assets

As at 31 December 2025 and 2024, the Group did not have any pledged assets for borrowings.

Capital Structure

The major objective of the Group's capital management is to ensure the ability of sustainable operations and maintain a healthy capital ratio in order to support its businesses and maximise the interests of the shareholders (the "**Shareholders**") of the Company. The Group continued to emphasise the appropriate mix of equity and debt to ensure an efficient capital structure in order to reduce capital cost.

Risk of Foreign Exchange

The Group's business operations were denominated mainly in HK\$ and US dollars ("**USD**") during the Reporting Period.

The Group's assets and liabilities are mainly denominated in HK\$ and USD at the year end. Currently, the Group has not entered into any agreement or purchased any instrument to hedge the Group's foreign currency risk. Since the HK\$ is pegged to the USD, the Group's exposure to foreign currency risk in respect of asset and liabilities denominated in USD is considered to be minimal.

The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

Contingent Liabilities

As at 31 December 2025 and 2024, the Group had no material contingent liabilities.

OUTLOOK

The Group remains committed to enhancing long-term Shareholder value through the development of a well-diversified business portfolio comprising the food and beverage business and the financial business. The recent expansion of the Group's insurance and wealth management businesses represents further progress towards our long-term strategic objective of establishing the Group as a comprehensive financial services institution.

The global and regional economic outlook continues to be volatile. Persisting macroeconomic challenges, including ongoing policy uncertainties under the current United States administration, the prolonged downturn in Mainland China's property sector, and intensified geopolitical tensions in the Middle East, have weighed on overall market sentiment. Locally, structural changes in consumption patterns, an oversupply in the market, and heightened competition within the food and beverage industry have further intensified operating pressures. The macroeconomic conditions in Hong Kong are expected to remain challenging, constraining overall consumer spending and business growth momentum. Furthermore, global procurement costs are anticipated to stay elevated as a result of prolonged protectionist measures and rising tariffs. Against this backdrop, the Group will continue to adopt a prudent and disciplined approach in managing and developing its food and beverage business. Notwithstanding the short-term uncertainty in the external environment, the Group remains confident in its long-term growth potential, underpinned by its solid client base and diversified portfolio of reputable international suppliers. Looking ahead, the Group will continue to enrich its product portfolio and pursue the development of sustainable, high-quality products that align with evolving market trends and meet customers' emerging preferences.

Investor confidence has been steadily improving, particularly in Hong Kong and Mainland China, where equity markets have delivered a strong rebound. As global investors increasingly diversify their portfolios beyond the United States and look towards Asia's resilient and fast-evolving markets, Hong Kong stands out as a premier regional wealth and asset management hub, ideally positioned to meet this growing demand. We see compelling opportunities across Asia, underpinned by powerful structural trends – including rapid advances in technology, youthful and expanding demographics and resilient consumer spending. The deepening connectivity between Mainland China and Hong Kong's capital markets, coupled with the rise of transformative technologies such as artificial intelligence and blockchain, is driving a new wave of innovation and unlocking fresh growth potential. Building on our strong foundation and market insights, our financial business is committed to capturing these emerging opportunities. We will continue to invest in innovation, drive strategic growth, and create lasting value for our shareholders in the years ahead.

Amid heightened global uncertainty, market conditions are likely to remain volatile. In navigating this environment, we will continue to adopt a prudent and disciplined approach when considering investments in securities and other financial products.

To create sustainable value for our shareholders, the Group will continue to review the performance of its existing businesses and identify areas with strong growth potential. Backed by a solid cash position, the Group is well placed to respond with agility and resilience, including diversifying into new business areas should attractive opportunities arise. The Company will make formal announcements and fulfil all reporting obligations in accordance with the Listing Rules as required.

EMPLOYEES AND REMUNERATION

As at 31 December 2025, the Group employed 159 employees (as at 31 December 2024: 164 employees).

Employees of the Group are remunerated based on their individual performance, professional qualifications, experience in the industry and relevant market trends. In addition to basic salaries, year-end bonuses may be awarded by the Group to those staff members with outstanding performance.

The Group operates the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for employees employed under the Hong Kong Employment Ordinance (Chapter 57 of the laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the Group and the employees are each required to make contributions to the plan at 5% of the employee’s relevant income, subject to a cap of monthly relevant income of HK\$30,000 per employee. There are no forfeited contributions for the MPF Scheme as the contributions are fully vested to the employees upon payments to the MPF Scheme.

Furthermore, pursuant to the relevant laws and regulations in overseas regions, the Group has joined the respective defined contribution retirement schemes for its local employees (the “**Overseas Retirement Schemes**”). The Group makes contributions to the Overseas Retirement Schemes at the applicable rates based on the amounts stipulated by the local government organisations. As at 31 December 2025, there were no forfeited contributions for the Overseas Retirement Schemes as the contributions were fully vested to the employees pursuant to the applicable laws and regulations.

In addition, a share option scheme was adopted by the Company in June 2021 for the purpose of providing incentive or reward to staff members and other eligible participants who make contributions to the success of the Group. The Directors believe that the compensation packages offered by the Group to its staff members are competitive in comparison with market standards and practices.

FINAL DIVIDEND

The Board has resolved not to declare any final dividend in respect of the year ended 31 December 2025 (year ended 31 December 2024: Nil).

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”), comprising the Company’s three independent non-executive Directors, has reviewed the consolidated financial statements of the Group for the Reporting Period, and discussed with the management and the auditor of the Company, BDO Limited, on the accounting principles and practices, financial reporting process, internal control adopted by the Group, with no disagreement by the Audit Committee of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares) during the Reporting Period. As at 31 December 2025, no treasury shares were held by the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement, the Company has maintained a sufficient public float of the issued shares (i.e. at least 25% of the Company’s total number of issued shares were held by the public) as required under Listing Rules.

CORPORATE GOVERNANCE

The Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (“**CG Code**”) as contained in Appendix C1 to the Listing Rules during the Reporting Period save as disclosed below.

Under code provision F.1.3 of the CG Code, the chairman of the Board should attend the annual general meeting. During the Reporting Period, the Company did not appoint any individual to be the chairman of the Board as the Board was still in the process of identifying a suitable candidate. Mr. Lau Ka Ho (“**Mr. Lau**”), the executive Director and chief executive officer of the Company, has chaired the annual general meeting held on 19 June 2025 (“**2025 AGM**”) and addressed questions raised by the Shareholders at the 2025 AGM. Under the code provision C.1.5 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Sze Wine Him Jaime, Ms. Bu Yanan and Mr. Wong Sai Hung, were unable to attend the 2025 AGM due to other important engagements. All the executive Directors, the chairman of the Audit Committee and nomination committee, as well as members of remuneration committee (including independent non-executive director) and other Board committees then in office on the meeting date, and representatives of the Company’s auditor also attended the 2025 AGM and were available to address questions and collect views from the Shareholders.

Having considered the knowledge of the aforesaid attendees, including representation from the Company's management and auditor, the Company considers that questions or issues raised by Shareholders would be sufficiently addressed and that an effective dialogue between the Company and the Shareholders has been maintained.

Under code provision C.2.1 of the CG Code, the role of chairman and chief executive should be separate and should not be performed by the same individual. As aforesaid, the Company did not appoint any individual to be the chairman of the Board during the Reporting Period. Hence the Company deviated from the requirements under code provision C.2.1. The Board will nominate suitable candidate to act as chairman of the Board as soon as practicable and will make necessary announcement as and when appropriate.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' dealings in the Company's securities. Each Director has been given a copy of the Model Code. Specific enquiry has been made of all the Company's Directors and they have confirmed their compliance with the Model Code throughout the Reporting Period.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "**Employees Written Guidelines**"), governing securities transactions by employees who are likely to possess inside information of the Company and/or its securities. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company.

In case when the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors and relevant employees in advance.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

There are no significant events subsequent to 31 December 2025 which would materially affect the Group's operating and financial performance as of the date of this announcement.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by BDO Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Company (www.pfh.hk) and the Stock Exchange (www.hkexnews.hk). The Company's annual report for the year ended 31 December 2025, containing all the information required by the Listing Rules, will be available on the above websites and despatched to the Shareholders in due course.

By order of the Board
Prosperous Future Holdings Limited
Lau Ka Ho
Chief Executive Officer and Executive Director

Hong Kong, 27 March 2026

As at the date of this announcement, the Board comprises (i) two executive Directors, namely Mr. Lau Ka Ho and Mr. Yu Ching Him; (ii) one non-executive Director, namely Mr. Sze Wine Him Jaime; and (iii) three independent non-executive Directors, namely Ms. Chan Sze Man, Ms. Bu Yanan and Mr. Wong Sai Hung.