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CSC HOLDINGS LIMITED
中策資本控股有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 235)

FINAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Board of Directors (the “**Board**”) of CSC Holdings Limited (the “**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 together with comparative figures 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	3	36,144	65,193
Dividend income		–	1,892
Interest income		34,481	60,011
Commission, handling income and others		1,663	3,290
Other income	5	24,586	37,680
Other gain and loss, net		(936)	(34)
Staff costs		(34,122)	(39,811)
Other expenses		(37,284)	(34,603)
Net gain (loss) on financial assets at fair value through profit or loss	6	38	(4,620)
Reversal of (provision for) impairment losses under expected credit loss model, net	9	5,626	(15,719)
Share of results of an associate		(1,911)	–
Finance costs	7	(1,693)	(1,493)

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
(Loss) profit before tax		(9,552)	6,593
Income tax expense	8	<u>(3,716)</u>	<u>(2,084)</u>
(Loss) profit for the year attributable to owners of the Company	9	<u>(13,268)</u>	<u>4,509</u>
Other comprehensive (expense) income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Fair value loss on debt instruments at fair value through other comprehensive income		–	(4,418)
Provision for impairment loss on debt instruments at fair value through other comprehensive income included in profit or loss	9	–	4,418
Share of other comprehensive income of an associate		89	–
Exchange differences arising on translation of an associate		(972)	–
Exchange differences arising on translation of financial statements of foreign operations		<u>(714)</u>	<u>375</u>
Other comprehensive (expense) income for the year		<u>(1,597)</u>	<u>375</u>
Total comprehensive (expense) income for the year attributable to owners of the Company		<u>(14,865)</u>	<u>4,884</u>
(Loss) earnings per share attributable to owners of the Company			
– Basic	11	<u>HK(0.07) cent</u>	<u>HK0.02 cent</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		11,053	4,891
Right-of-use assets		15,698	25,806
Goodwill		8,000	4,000
Club debentures		1,453	1,453
Interest in an associate	<i>12</i>	96,658	–
Loan receivables	<i>13</i>	–	221,346
Deferred tax assets		860	4,476
Total non-current assets		133,722	261,972
Current assets			
Debt instruments at fair value through other comprehensive income	<i>14</i>	–	–
Loan receivables	<i>13</i>	300,876	302,902
Trade and other receivables	<i>15</i>	89,120	179,267
Income tax recoverable		195	605
Financial assets at fair value through profit or loss	<i>16</i>	23,808	7,108
Bank balances and cash		1,865,915	1,518,810
Total current assets		2,279,914	2,008,692
Current liabilities			
Trade and other payables	<i>17</i>	182,068	28,918
Financial liabilities designated at fair value through profit or loss	<i>18</i>	14,800	–
Lease liabilities		9,989	10,009
Total current liabilities		206,857	38,927
Net current assets		2,073,057	1,969,765
Total assets less current liabilities		2,206,779	2,231,737
Non-current liability			
Lease liabilities		5,032	15,125
Net assets		2,201,747	2,216,612
Capital and reserves			
Share capital		3,216,110	3,216,110
Reserves		(1,014,363)	(999,498)
Total equity		2,201,747	2,216,612

Notes:

1. Basis of preparation of consolidated financial statements and material accounting policy information

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

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period.

The consolidated financial statements are presented in Hong Kong dollar (“**HK\$**”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The financial information relating to the years ended 31 December 2025 and 2024 included in this preliminary final results announcement for the year ended 31 December 2025 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 December 2025 in due course.

The Company’s auditor has reported on the financial statements of the Group for both years. The auditor’s reports are unqualified; do not include a reference to any matters to which the auditor draws attention by way of emphasis without qualifying its reports; and do not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

Disaggregation of revenue from contracts with customers and reconciliation of total revenue:

	Investment in securities	Money lending	Securities brokerage	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
For the year ended 31 December 2025				
Types of goods and services				
Commission, handling income and others	–	–	1,663	1,663
Revenue from contracts with customers	–	–	1,663	1,663
Interest income	–	28,175	6,306	34,481
Total revenue	–	28,175	7,969	36,144

For the year ended 31 December 2024

Types of goods and services				
Commission, handling income and others	–	2,144	1,146	3,290
Revenue from contracts with customers	–	2,144	1,146	3,290
Dividend income	1,892	–	–	1,892
Interest income	–	49,800	10,211	60,011
Total revenue	1,892	51,944	11,357	65,193

During the years ended 31 December 2025 and 2024, the revenue is recognised at a point in time except for dividend income and interest income which fall outside the scope of HKFRS 15.

Brokerage commission income is recognised on a trade date basis when the relevant transactions are executed. Other service income is recognised when the related services are rendered.

4. Segment information

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the chief operating decision maker, for the purposes of allocating resources and assessment of segment performance. This is also the basis upon which the Group is arranged and organised.

The Group's operating segments under HKFRS 8 are as follows:

- (i) Investment in securities
- (ii) Trading
- (iii) Money lending
- (iv) Securities brokerage

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating segments:

	Investment in securities <i>HK\$'000</i>	Trading <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Securities brokerage <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2025					
Segment revenue					
External sales/sources	–	–	28,175	7,969	36,144
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Results					
Segment results	164	8,122	35,643	1,877	45,806
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other income					11,955
Other gain and loss, net					(633)
Central administrative expenses					(63,076)
Share of results of an associate					(1,911)
Finance costs					(1,693)
					<u> </u>
Loss before tax					(9,552)
Income tax expense					(3,716)
					<u> </u>
Loss for the year					<u> </u> <u> </u>
For the year ended 31 December 2024					
Segment revenue					
External sales/sources	1,892	–	51,944	11,357	65,193
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Results					
Segment results	(6,959)	10,181	45,959	9,649	58,830
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other income					17,555
Other gain and loss, net					(33)
Central administrative expenses					(68,266)
Finance costs					(1,493)
					<u> </u>
Profit before tax					6,593
Income tax expense					(2,084)
					<u> </u>
Profit for the year					<u> </u> <u> </u>

Segment profit (loss) represents the profit earned/loss incurred by each segment without allocation of certain other income, certain other gain and loss, net, central administrative expenses (including depreciation of property, plant and equipment and right-of-use assets), share of results of an associate, finance costs and income tax expense.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Segment assets		
Investment in securities	9,110	15,822
Trading	243,558	235,839
Money lending	775,912	1,114,887
Securities brokerage	447,719	302,523
	<hr/>	<hr/>
Total segment assets	1,476,299	1,669,071
Property, plant and equipment	11,053	4,891
Right-of-use assets	15,698	25,806
Interest in an associate	96,658	–
Bank balances and cash	783,245	558,946
Other unallocated assets	30,683	11,950
	<hr/>	<hr/>
Consolidated assets	2,413,636	2,270,664
	<hr/> <hr/>	<hr/> <hr/>
Segment liabilities		
Investment in securities	10	10
Trading	20	20
Money lending	1,139	1,166
Securities brokerage	173,011	23,673
	<hr/>	<hr/>
Total segment liabilities	174,180	24,869
Lease liabilities	15,021	25,134
Other unallocated liabilities	22,688	4,049
	<hr/>	<hr/>
Consolidated liabilities	211,889	54,052
	<hr/> <hr/>	<hr/> <hr/>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than property, plant and equipment, right-of-use assets, interest in an associate, certain bank balances and cash and certain other assets; and
- all liabilities are allocated to operating segments other than certain other liabilities and lease liabilities.

5. Other income

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank interest income	21,524	37,527
Others	3,062	153
	<u>24,586</u>	<u>37,680</u>

6. Net gain (loss) on financial assets at fair value through profit or loss

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net realised gain on financial assets at FVTPL	38	–
Unrealised loss on financial assets at FVTPL	–	(4,620)
	<u>38</u>	<u>(4,620)</u>

7. Finance costs

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on lease liabilities	1,013	1,493
Others	680	–
	<u>1,693</u>	<u>1,493</u>

8. Income tax expense

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Tax (charge) credit comprises:		
Current tax		
– Hong Kong Profits Tax	(100)	(300)
– Others	(6)	(6)
Overprovision in prior years		
– Hong Kong Profits Tax	6	22
	<u>(100)</u>	<u>(284)</u>
Deferred tax	(3,616)	(1,800)
	<u>(3,716)</u>	<u>(2,084)</u>
Income tax expense recognised in profit or loss	<u>(3,716)</u>	<u>(2,084)</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of the group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

9. (Loss) profit for the year

(Loss) profit for the year has been arrived at after charging (crediting) the following items:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Staff costs		
– directors' emoluments	6,533	9,447
– other staff salaries, wages and other benefits	26,961	29,714
– retirement benefit scheme contributions, excluding directors	628	650
	<u>34,122</u>	<u>39,811</u>
Total staff costs		
	<u>34,122</u>	<u>39,811</u>
(Reversal of) provision for impairment loss on loan receivables	(6,212)	10,646
Provision for impairment loss on debt instruments at fair value through other comprehensive income (“FVTOCI”)	–	4,418
Provision for impairment loss on trade receivables	586	–
Provision for impairment loss on other receivables	–	655
	<u>–</u>	<u>655</u>
Net (reversal of) provision for impairment losses	<u>(5,626)</u>	<u>15,719</u>
	<u>(5,626)</u>	<u>15,719</u>
Auditor's remuneration	2,710	1,795
Depreciation of property, plant and equipment	2,798	2,738
Depreciation of right-of-use assets	10,062	10,113
	<u>10,062</u>	<u>10,113</u>

10. Dividends

No dividend was paid or proposed for the year ended 31 December 2025 (2024: nil), nor has any dividend been proposed since the end of the reporting period (2024: nil).

11. (Loss) earnings per share

The calculation of the basic (loss) earnings per share attributable to owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss) profit:		
(Loss) profit for the year attributable to owners of the Company for the purpose of calculating basic (loss) earnings per share	<u>(13,268)</u>	<u>4,509</u>
	2025 '000	2024 '000
Number of shares:		
Weighted average number of ordinary shares of the Company for the purpose of calculating basic (loss) earnings per share	<u>20,385,254</u>	<u>20,385,254</u>

Diluted (loss) earnings per share for the years ended 31 December 2025 and 2024 are not presented as there were no dilutive potential ordinary shares in issue during both years.

12. Interest in an associate

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of listed investment in an associate	99,452	–
Share of post-acquisition losses and other comprehensive income	(1,822)	–
Exchange adjustment	(972)	–
	<u>96,658</u>	<u>–</u>
Fair value of listed investment in an associate (<i>Note</i>)	<u>97,736</u>	<u>–</u>

Note: The fair value of the listed investment is determined based on the quoted market bid price available on the stock exchange of the Philippines.

Particulars of the Group's associate at the end of the reporting period are as follows:

Name	Place of registration and business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
		2025	2024	2025	2024	
Citystate Savings Bank, Inc.	Philippines	26.3%	–	26.3%	–	Banking business

13. Loan receivables

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Fixed-rate loan receivables	486,800	890,083
Less: impairment allowance	<u>(185,924)</u>	<u>(365,835)</u>
	<u>300,876</u>	<u>524,248</u>
Analysed as:		
Current portion	300,876	302,902
Non-current portion	<u>–</u>	<u>221,346</u>
	<u>300,876</u>	<u>524,248</u>
Analysed as:		
Secured	292,552	514,318
Unsecured	<u>8,324</u>	<u>9,930</u>
	<u>300,876</u>	<u>524,248</u>

At 31 December 2025, the range of interest rates and maturity dates attributed to the Group's performing loan receivables were 8% to 13% (2024: 8.5% to 13%) per annum and from 11 February 2026 to 28 October 2026 (2024: 4 March 2025 to 31 March 2026) respectively.

An analysis of the Group's fixed-rate loan receivables by their respective contractual maturity dates is as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Fixed-rate loan receivables:		
Within one year or on demand	300,876	302,902
In more than one year but not more than two years	—	221,346
	<u>300,876</u>	<u>524,248</u>

The Group reversed impairment allowance of HK\$6,212,000 (2024: provided impairment allowance of HK\$10,646,000) on loan receivables for the current year.

14. Debt instruments at fair value through other comprehensive income

At 31 December 2025 and 2024, the Group's debt instruments at FVTOCI, listed overseas with fixed interest at 9.50% per annum and contractual maturity date on 29 March 2024, were stated at fair values which were determined based on the quoted market closing price.

At 31 December 2025 and 2024, the debt instruments at FVTOCI were fully impaired.

The Group provided impairment allowance of HK\$4,418,000 on debt instruments at FVTOCI for the year ended 31 December 2024.

15. Trade and other receivables

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables of securities brokerage business:		
– Cash clients (<i>Note (i)</i>)	425	992
– Margin clients (<i>Note (i)</i>)	77,624	164,890
– Hong Kong Securities Clearing Company Limited (“HKSCC”) (<i>Note (i)</i>)	139	712
	<u>78,188</u>	<u>166,594</u>
Other receivables (<i>Note (ii)</i>)	10,932	12,673
	<u>89,120</u>	<u>179,267</u>

Notes:

- (i) For securities brokerage business, the normal settlement terms of trade receivables from cash clients and HKSCC are two trading days after trade date. The trade receivables from cash and margin clients and HKSCC with carrying amounts totalling HK\$78,188,000 (2024: HK\$166,594,000) were not past due at the end of the reporting period.

Margin clients are required to pledge securities as collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them individually is determined based on a discount on the market value of the securities pledged to the Group. Any excess in lending ratio will trigger a margin call for which the client concerned has to make good the shortfall. At 31 December 2025, the market value of the securities pledged by the clients to the Group as collateral for margin financing amounted to HK\$1,490,608,000 (2024: HK\$705,964,000).

- (ii) Included in other receivables were unrestricted deposits of HK\$1,377,000 (2024: HK\$474,000) placed with securities brokers. The remaining balance of other receivables represented mainly interest receivables, prepayment and deposits for office use.

The Group provided impairment allowance of HK\$586,000 (2024: HK\$655,000) on trade receivables (2024: other receivables) for the current year.

16. Financial assets at fair value through profit or loss

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Listed investments, at fair value:		
– Equity securities listed in Hong Kong (<i>Note (i)</i>)	–	7,108
Unlisted investments, at fair value:		
– Unlisted equity securities (<i>Note (ii)</i>)	9,009	–
– Unlisted equity-linked fixed coupon notes (<i>Note (iii)</i>)	14,799	–
	23,808	7,108
Analysed as:		
Current portion	23,808	7,108

Notes:

- (i) The fair values of the listed equity securities were determined based on the quoted market closing prices available on the Hong Kong Stock Exchange.
- (ii) The fair values of the unlisted equity securities were determined with reference to the net asset value of the unlisted equity.
- (iii) The unlisted equity-linked fixed coupon notes are classified as current as the maturity of the notes are within twelve months from the end of the reporting period. The fair values of the unlisted equity-linked fixed coupon notes were determined with reference to the quoted price in the over-the-counter markets.

17. Trade and other payables

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables of securities brokerage business:		
– Cash clients (<i>Note</i>)	52,576	21,971
– Margin clients (<i>Note</i>)	120,310	1,479
	172,886	23,450
Accrued charges and other payables	9,182	5,468
	182,068	28,918

Note: For securities brokerage business, the normal settlement terms of trade payables to cash and margin clients are two trading days after trade date.

18. Financial liabilities designated at fair value through profit or loss

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Liabilities issued, at fair value:		
– Unlisted equity-linked fixed coupon notes (<i>Note</i>)	14,800	–
	<u><u>14,800</u></u>	<u><u>–</u></u>
Analysed as:		
Current portion	14,800	–
	<u><u>14,800</u></u>	<u><u>–</u></u>

Note: Unlisted equity-linked fixed coupon notes issued at fair value are issued in the form of fixed coupon notes of which the payouts at maturity are linked to the values of certain underlying listed equity investments.

FINAL DIVIDEND

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

BUSINESS REVIEW

During the year ended 31 December 2025 (“**FY2025**”), the Group continued to principally engage in the business of investment in securities, trading, money lending as well as securities brokerage.

In FY2025, the Group navigated a complex and volatile global landscape marked by a modest local recovery alongside persistent international challenges. While Hong Kong’s economic outlook benefited from reviving consumer confidence and a rebound in tourism as travel restrictions eased, the broader environment remained fraught with heightened geopolitical frictions, particularly ongoing tensions between China and the US, together with the prolonged conflicts in Ukraine and the Middle East, have disrupted global trade flows and undermined market confidence. To address these multifaceted risks and uncertainties, the Group continued to adopt a disciplined and prudent operational strategy, prioritising business resilience and capital preservation amid a highly unpredictable environment throughout the year. Amidst these challenges, the Group achieved a major strategic milestone in September 2025 by completing the acquisition of 26.3% equity interest in Citystate Savings Bank, Inc., a thrift bank with its common shares listed on the Philippine Stock Exchange, Inc. (“**Citystate**”), which marked our strategic presence within the Southeast Asian financial services landscape reflecting our proactive shift towards building a more diversified and sustainable financial services portfolio for long-term growth.

For FY2025, the Group recorded a decrease in revenue by 45% to HK\$36,144,000 (2024: HK\$65,193,000), mainly due to the decrease in interest income from the money lending operation and the Group recorded a loss attributable to owners of the Company of HK\$13,268,000 (2024: profit of HK\$4,509,000). Such turnaround from profit to loss is the combined effect of (i) the decrease in interest income from money lending operation to HK\$28,175,000 (2024: HK\$49,800,000); (ii) the decrease in bank interest income to HK\$21,524,000 (2024: HK\$37,527,000); and (iii) reversal of impairment loss on loan receivables of HK\$6,212,000 (2024: provision for HK\$10,646,000). The basic loss per share was HK0.07 cent (2024: basic earnings per share of HK0.02 cent).

Investment in Securities

The Group generally acquires securities listed on the Hong Kong Stock Exchange or other recognised stock exchanges and over-the-counter markets with good liquidity that can facilitate swift execution of securities transactions, and sometimes directly from target companies. For making investment or divestment decision on securities of individual target company, references will usually be made to the latest financial information, news and announcements issued by the target company, investment analysis reports that the Company has access to, as well as industry or macroeconomic news. When deciding on acquiring securities to be held for long-term purpose, particular emphasis will be placed on the past financial performance of the target company including its sales and profit growth, financial healthiness, dividend policy, business prospects, industry and macroeconomic outlook. When deciding on acquiring securities to be held other than for long-term purpose, in addition to the factors mentioned, references will also be made to prevailing market sentiments in different sectors of the investment markets. In terms of return, for long-term securities investments, the Company mainly emphasises on return of investment in the form of capital appreciation and dividend/interest income. For securities investments other than for long-term holding, the Company mainly emphasises on return of investment in the form of trading gains.

At 31 December 2025, the Group's securities investments comprised (i) a financial asset at FVTPL portfolio valued at HK\$23,808,000 in total including unlisted equity securities in the United States of HK\$9,009,000 and unlisted equity-linked fixed coupon notes ("FCN") valued at HK\$14,799,000 (2024: equity securities listed in Hong Kong valued at HK\$7,108,000); and (ii) a debt instrument at FVTOCI portfolio comprising debt securities listed on overseas stock exchange which had been fully impaired during 2024 with no carrying value (2024: nil). As a whole, the Group's securities investments recorded no revenue (2024: a revenue of HK\$1,892,000), while reporting a profit of HK\$164,000 (2024: loss of HK\$6,959,000) for the current year.

Financial assets at FVTPL

At 31 December 2025, the Group held a financial asset at FVTPL portfolio amounting to HK\$23,808,000 measured at market/fair value. During FY2025, the portfolio did not generate any revenue (2024: generated a revenue of HK\$1,892,000 representing dividends from equity securities). The Group recognised a net gain on financial assets at FVTPL of HK\$38,000 which represented the net realised gain on sales of listed equity securities (2024: loss on financial assets at FVTPL of HK\$4,620,000, which represented the unrealized loss attributed to the decrease in fair value of the Group's listed equity securities portfolio at the year end).

During the year, the Group invested HK\$9,009,000 for acquiring approximately 2% equity interest of an unlisted bank operated in the United States and HK\$14,799,000 for acquiring unlisted equity-linked FCN, and divested HK\$7,146,000 equity securities listed in Hong Kong. At 31 December 2025, the Group's financial asset at FVTPL portfolio of HK\$23,808,000 comprised equity securities of an unlisted banking company operated in the United States and the unlisted equity-linked FCN acquired in the over-the-counter markets to hedge the corresponding unlisted equity-linked FCN issued by the Group, with all maturity dates falling within one year from the year end.

The Group is committed to closely monitor the financial performance of its financial asset at FVTPL portfolio through making investment and divestment decisions on individual securities from time to time based on, amongst others, the internal assessments on prospects of the individual securities and publicly available information of the investee companies.

Debt instruments at FVTOCI

At 31 December 2025, the Group's debt instrument at FVTOCI portfolio was measured at market/fair value. During FY2025, the Group had not acquired or disposed of any debt securities and the debt securities held by the Group were corporate bonds issued by a property company based in the Mainland. According to the contractual maturity profile of the debt securities, the debt instruments at FVTOCI were in default during 2024 and were fully impaired with no carrying amount (2024: nil). During FY2025, the Group's debt instrument at FVTOCI portfolio did not generate any revenue (2024: nil).

For FY2025, there had been no significant change in the market/fair value of the debt instrument at FVTOCI portfolio from the prior year end and no fair value change was recognised (2024: owing to a fall in market/fair value of the debt instruments, a fair value loss on the debt instrument at FVTOCI portfolio of HK\$4,418,000 was recognised as other comprehensive expense.).

For FY2025, there was no significant change in the expected loss given default of the debt instruments at FVTOCI portfolio. The expected loss given default of the debt instruments had increased owing to the defaults of the bond issuer in making interest and principal payments for its indebtedness which ultimately affected the collection of contractual cash flows from its bonds in prior years. The Group had not recognised any reversal of impairment loss on debt instruments at FVTOCI since its full impairment in 2024 (2024: the Group recognised impairment loss of HK\$4,418,000 on debt instruments at FVTOCI as the credit risks of the debt instruments had been further increased since initial recognition).

The Group performs impairment assessment on the debt instruments held under the expected credit loss (“ECL”) model. The measurement of ECL is a function of the probability of default and loss given default (i.e., the magnitude of the loss if there is a default), with the assessments of the probability of default and loss given default are based on historical data and forward-looking information. In determining the ECL on the Group’s debt instruments for the year, the management had taken into account factors including the defaults of the bond issuer in making payments of interest and principal for its indebtedness, and forward-looking information including the future macroeconomic conditions affecting the operations of the bond issuer. There had been no change in the method used in determining the impairment loss on debt instruments at FVTOCI from the prior financial year.

Trading

During FY2025, the Group’s trading operation did not generate any revenue (2024: nil) as its commodities trading activities with customers in Europe remained temporarily halted, mainly due to volatile market conditions, particularly in terms of pricing. The profit of the operation of HK\$8,122,000 (2024: HK\$10,181,000) represented mainly the interest income earned from the cash deposit reserved for pledging as security for bank credit facilities. To navigate the current market landscape, the Group has been consistently sourcing and evaluating business opportunities in the global commodity market, identifying and evaluating opportunities to revive its traditional trading activities, with a particular focus on re-engaging in the electronic components sector, and will continue its effort in seizing business opportunities with a view to improving the results of the operation.

Money Lending

The Group’s money lending business is conducted through CS Credit Limited, U Credit (HK) Limited and Chap Yik Limited, all are wholly-owned subsidiaries of the Company, and are licensed to conduct money lending activities under the Money Lenders Ordinance. The Group aims to make loans that could be covered by sufficient collateral, preferably commercial and residential properties in Hong Kong, and to borrowers with good credit history. The Group has a stable source of loan deals from its own business network and its marketing agents. For FY2025, the operation recorded a decrease in revenue by 46% to HK\$28,175,000 (2024: HK\$51,944,000) and a decrease in profit by 22% to HK\$35,643,000 (2024: HK\$45,959,000). The decrease in revenue was mainly due to the lower average amount of performing loans advanced to borrowers during FY2025. The decrease in profit was primarily the result of the decrease in revenue, which partly offset by reversal of provision for impairment loss on loan receivables of HK\$6,212,000 (2024: provision of HK\$10,646,000).

The Group performs impairment assessment on loan receivables under the ECL model. The measurement of ECL is a function of the probability of default, the loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default (i.e., the magnitude of the loss after accounting for the value of the collateral if there is a default). The assessment of the probability of default and loss given default are based on historical data and forward-looking information, whilst the valuations of the properties and assets pledged to the Group as collateral are, where appropriate, performed by independent professional valuers engaged by the Group at each reporting date for the purpose of determining ECL. In accordance with the Group's loan impairment policy, the amount of ECL is updated at each reporting date to reflect the changes in credit risk on loan receivables since initial recognition. At the year end, the impairment allowance recognised primarily represented the credit risk involved in collectability of certain default and non-default loans determined under the Group's loan impairment policy, with reference to factors including the credit history and financial conditions of the borrowers, the ageing of the overdue balances, the realisation value of the collateral pledged to the Group, and forward-looking information including the future macroeconomic conditions affecting the borrowers.

The Group has a system in place to closely monitor the recoverability of its loan portfolio, its credit monitoring measures include regular collateral value review against market information and regular communication with the borrowers of their financial positions, through which the Group will be able to keep updated with the latest credit profile and risk associated with each individual borrower and could take appropriate actions for loan recovery at the earliest time. If circumstances require, the Group will commence legal actions against the borrowers for recovery of the overdue loans and take possession of the collateral pledged. At 31 December 2025, the balance of impairment allowance decreased by 49% or HK\$179,911,000 to HK\$185,924,000 (2024: HK\$365,835,000), which comprised a sum of HK\$21,743,000 being impairment provision for the current year, a sum of HK\$27,955,000 being reversal of impairment provision owing to settlement of loans and improvement in credit quality of the borrowers, and a sum of HK\$178,520,000 being written off as the related loans were fully-impaired. There had been no change in the method used in determining the impairment allowance on loan receivables from the prior financial year.

The gross carrying amount of the Group's loan portfolio decreased by 45% or HK\$403,283,000 to HK\$486,800,000 (2024: HK\$890,083,000) was mainly a result of loan repayments from borrowers. The net carrying amount of the loan portfolio, after impairment allowance, amounted to HK\$300,876,000 (2024: HK\$524,248,000) at the year end, and details of the portfolio are as follows:

Category of borrowers	Approximate weighting to the carrying amount of the Group's loan portfolio %	Interest rate per annum %	Maturity
Individual	14.23	10.375 – 13.00	Within one year
Corporate	85.77	8.00 – 15.00	Within one year
	<u>100.00</u>		

At 31 December 2025, 97% (2024: 98%) of the carrying amount of the loan portfolio (after impairment allowance) was secured by collateral including properties in Hong Kong, listed equity securities and debt securities, with the remaining 3% (2024: 2%) being unsecured. At the year end, the loans made to all borrowers were term loans of which an amount of HK\$300,876,000 (2024: HK\$302,902,000) was due within one year and no loan (2024: HK\$221,346,000) was due over one year but within two years. The loan(s) made to the largest borrower and the five largest borrowers represented 39% (2024: 22%) and 74% (2024: 66%) respectively of the Group's loan portfolio (on a net of impairment allowance basis) at the year end. At 31 December 2025, loans were granted to 14 (2024: 18) borrowers who are Hong Kong residents and companies incorporated in Hong Kong, British Virgin Islands, Cayman Islands and Seychelles.

Securities Brokerage

The Group's securities brokerage business is conducted through CS Wealth Securities Limited, a wholly-owned subsidiary of the Company licensed by the Hong Kong Securities and Futures Commission to engage in dealing in securities activities (i.e., Type 1 regulated activity). For FY2025, the overall revenue of the operation decreased by 30% to HK\$7,969,000 (2024: HK\$11,357,000), and its profit decreased by 81% to HK\$1,877,000 (2024: HK\$9,649,000). The decrease in revenue of the operation was mainly due to the decrease in interest income from margin financing by 38% to HK\$6,306,000 (2024: HK\$10,211,000), mainly due to the lower average amount of margin loans advanced to clients during the year. The decrease in profit was the combined effect of (i) the decrease in revenue as mentioned above; and (ii) the bank interest income decreased by 87% to HK\$268,000 (2024: HK\$2,033,000).

In 2022, the Group acquired an asset management company which is licensed by the Hong Kong Securities and Futures Commission to engage in advising on securities and asset management activities (i.e., Type 4 and 9 regulated activities). During FY2025, the company has commenced its trial operation and is in the initial stage of providing fund management service. It is the plan that this company will engage in fund management activities for equity, fixed income as well as alternative investments, which are activities expected to create synergies with the Group's securities brokerage operation.

Overall Results

For FY2025, the Group experienced a turnaround of its results and recorded a loss attributable to owners of the Company of HK\$13,268,000 (2024: profit of HK\$4,509,000) and basic loss per share of HK0.07 cent (2024: earnings per share of HK0.02 cent). The Group reported a total comprehensive expense attributable to owners of the Company of HK\$14,865,000 (2024: total comprehensive income of HK\$4,884,000), which mainly included an exchange loss arising on translation of financial statements of the Group's foreign operations of HK\$714,000 (2024: exchange gain of HK\$375,000) and an exchange loss arising on translation of an associate of HK\$972,000 (2024: nil).

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

For FY2025, the Group financed its businesses mainly by funds generated from operations and shareholders' funds. At the year end, the Group had current assets of HK\$2,279,914,000 (2024: HK\$2,008,692,000) and liquid assets comprising bank balances and cash (excluding clients' money held relating to the Group's securities brokerage business) as well as listed financial assets at FVTPL totalling HK\$1,693,405,000 (2024: HK\$1,503,754,000). The Group's current ratio, calculated based on current assets over current liabilities of HK\$206,857,000 (2024: HK\$38,927,000), was at a strong ratio of about 11.0 (2024: 51.6) though the ratio has been significantly reduced by 79%. At 31 December 2025, trade payable to margin clients increased significantly by HK\$118,831,000 to HK\$120,310,000 (2024: HK\$1,479,000) as the margin clients disposed of their investment securities with the fund maintained in the designated accounts.

At 31 December 2025, the Group's trade and other receivables amounted to HK\$89,120,000 (2024: HK\$179,267,000), which mainly comprised trade receivables from margin clients of the securities brokerage business of HK\$77,624,000 (2024: HK\$164,890,000). The drop in the trade receivables from margin clients was mainly attributable to the settlement of the amount upon the clients disposed of their investment securities. At the year end, the market value of the securities pledged by the clients to the Group as collateral for margin financing amounted to HK\$1,490,608,000 (2024: HK\$705,964,000). Since the market value of those pledged securities exceeded the margin client receivables on an individual basis, no impairment loss allowance was provided on these receivables. At the year end, the Group had deferred tax assets amounting to HK\$860,000 (2024: HK\$4,476,000), which were principally related to the allowance for ECL of loan receivables at the year end.

At 31 December 2025, the equity attributable to owners of the Company amounted to HK\$2,201,747,000 (2024: HK\$2,216,612,000) and was equivalent to an amount of approximately HK10.80 cents (2024: HK10.87 cents) per share of the Company. The decrease in equity attributable to owners of the Company of HK\$14,865,000 was mainly due to the loss incurred by the Group during the year, which included the share of losses and other comprehensive income of an associate of HK\$1,822,000 and exchange loss arising on translation of an associate of HK\$972,000, since the completion of the acquisition of its 26.3% equity interest in September 2025.

The Group's gearing ratio, calculated on the basis of total liabilities of HK\$211,889,000 (2024: HK\$54,052,000) divided by equity attributable to owners of the Company of HK\$2,201,747,000 (2024: HK\$2,216,612,000), was at a low level of about 10% (2024: 2%).

The increase in the Group's finance costs to HK\$1,693,000 (2024: HK\$1,493,000) was primarily attributable to the interest on the unlisted equity-linked FCN issued by the Group of HK\$680,000 (2024: nil), which was partly offset by the decrease in interest on lease liabilities to HK\$1,013,000 (2024: HK\$1,493,000).

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

PROSPECTS

The Group remains cautiously optimistic about its business outlook, underpinned by the ongoing recovery in Hong Kong and the robust economic dynamism of Southeast Asia. While we remain vigilant towards the protracted geopolitical tensions and global trade uncertainties, our strategic focus is firmly set on diversifying our revenue streams and enhancing long-term shareholder value.

Following the successful completion of the acquisition of the 26.3% equity interest in Citystate in September 2025, the Group has established its strategic presence in the Philippine banking sector. Moving forward, the Group intends to leverage its position as a strategic shareholder to foster a closer relationship with Citystate and explore mutual strategic interests within the regional financial landscape.

As referred to in the announcement of the Company dated 25 September 2025, the Group entered into an agreement to acquire a 51% controlling interest in a target group principally engaged in digital payment services in Southeast Asia. This strategic acquisition aligns with our ongoing initiative to diversify our financial service portfolio, capture the growth potential of the regional fintech market and create synergy to Citystate on its digital banking transformation, aiming to broaden our revenue base and deliver long-term value to our shareholders.

Looking ahead, the Group will continue to optimize the synergy between our financial services and operations and is committed to a disciplined yet proactive approach in exploring new investment opportunities that align with shifting market conditions. By maintaining strong capital resilience, we aim to navigate global headwinds and deliver sustainable benefits to our stakeholders in the years to come.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules for the year ended 31 December 2025.

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 December 2025 have been reviewed by the Audit Committee and duly approved by the Board under the recommendation of the Audit Committee.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

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, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 26 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

By Order of the Board
CSC Holdings Limited
Dr. Or Ching Fai
Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the Board comprises one Non-executive Director, namely Dr. Or Ching Fai (Chairman); two Executive Directors, namely Mr. Chow Man Wai, Tony (Chief Executive Officer) and Mr. Chow Kam Wah; and three Independent Non-executive Directors, namely Ms. Ma Yin Fan, Mr. Leung Hoi Ying and Mr. Lam Kin Fung, Jeffrey.