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## **Lerado Financial Group Company Limited**

### **隆成金融集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1225)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of Lerado Financial Group Company Limited (the “**Company**”) presents the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with the comparative figures as follows:

### **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2025*

	<i>NOTES</i>	<b>2025</b> <i>HK\$'000</i>	<b>2024</b> <i>HK\$'000</i>
Revenue	3	<b>117,397</b>	157,235
Cost of sales		<b>(65,901)</b>	(58,891)
Gross profit		<b>51,496</b>	98,344
Other income		<b>3,728</b>	4,553
Other gains/(losses), net	4(a)	<b>47,366</b>	(899)
Reversal of/(provision for) impairment loss on financial assets at amortised cost, net	4(b)	<b>49,791</b>	(175,609)
Marketing and distribution expenses		<b>(7,095)</b>	(17,466)
Administrative expenses		<b>(54,313)</b>	(55,902)
Finance costs		<b>(8,789)</b>	(28,178)
Profit/(loss) before taxation		<b>82,184</b>	(175,157)
Income tax credit	5	<b>625</b>	871
Profit/(loss) for the year	6	<b>82,809</b>	(174,286)

	<i>NOTES</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Other comprehensive income/(expense), net of tax</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Loss on property revaluation		(32)	(2,921)
Recognition of deferred tax liability arising on property revaluation		<u>8</u>	<u>730</u>
		<u>(24)</u>	<u>(2,191)</u>
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences arising on translation of foreign operations		1,789	(2,520)
Release of translation reserve upon disposal of subsidiaries		<u>(532)</u>	<u>–</u>
		<u>1,257</u>	<u>(2,520)</u>
Other comprehensive income/(expense) for the year, net of tax		<u>1,233</u>	<u>(4,711)</u>
Total comprehensive income/(expense) for the year		<u><b>84,042</b></u>	<u>(178,997)</u>
Profit/(loss) for the year attributable to			
Owners of the Company		82,800	(174,244)
Non-controlling interests		<u>9</u>	<u>(42)</u>
		<u><b>82,809</b></u>	<u>(174,286)</u>
Total comprehensive income/(expense) attributable to:			
Owners of the Company		84,033	(178,955)
Non-controlling interests		<u>9</u>	<u>(42)</u>
		<u><b>84,042</b></u>	<u>(178,997)</u>
<b>Earnings/(loss) per share</b>	<b>8</b>		
– Basic and diluted		<u><b>35.95 HK cents</b></u>	<u>(75.65 HK cents)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		2025	2024
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		<b>26,671</b>	25,071
Right-of-use assets		<b>10,432</b>	10,809
Investment properties		<b>20,826</b>	20,418
Financial assets at fair value through profit or loss (“FVTPL”)	<i>10</i>	<b>5,616</b>	13,494
Statutory deposits placed with clearing house		<b>205</b>	205
		<b>63,750</b>	69,997
Current assets			
Inventories		<b>6,565</b>	8,400
Trade and other receivables and prepayments	<i>9</i>	<b>104,366</b>	115,420
Loan receivables		<b>170,856</b>	402,007
Financial assets at FVTPL	<i>10</i>	<b>180,196</b>	120,690
Bank balances (trust and segregated accounts)		<b>18,220</b>	17,063
Bank balances (general accounts) and cash		<b>58,267</b>	91,137
		<b>538,470</b>	754,717
Current liabilities			
Trade and other payables and accruals	<i>11</i>	<b>201,325</b>	189,728
Bonds		<b>50,000</b>	313,092
Lease liabilities		<b>207</b>	881
Tax payable		<b>4,228</b>	9,062
		<b>255,760</b>	512,763
Net current assets		<b>282,710</b>	241,954
Total assets less current liabilities		<b>346,460</b>	311,951

	<i>NOTES</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Capital and reserves			
Share capital		<b>2,304</b>	2,304
Reserves		<b>331,355</b>	247,322
		<hr/>	<hr/>
Equity attributable to owners of the Company		<b>333,659</b>	249,626
Non-controlling interests		–	(374)
		<hr/>	<hr/>
Total equity		<b>333,659</b>	249,252
		<hr/>	<hr/>
Non-current liabilities			
Bonds		–	50,000
Deferred tax liabilities		<b>12,616</b>	12,699
Lease liabilities		<b>185</b>	–
		<hr/>	<hr/>
		<b>12,801</b>	62,699
		<hr/>	<hr/>
		<b>346,460</b>	311,951
		<hr/> <hr/>	<hr/> <hr/>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL

Lerado Financial Group Company Limited (the “**Company**”) was incorporated in Bermuda as an exempted company with limited liability. The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and the principal place of business of the Company in Hong Kong is at Flat F&G, 4/F., Golden Sun Centre, 59-67 Bonham Strand West, Sheung Wan, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries (together with the Company collectively referred to as the “**Group**”) are set out in consolidated financial statements.

These 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 HKFRS ACCOUNTING STANDARDS

#### (A) Application of amendments to HKFRS Accounting Standards and Int

The Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025, for the preparation of the consolidated financial statements:

Amendments to HKAS 7 and HKFRS 1	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards listed above did not have any material impact on the Group’s financial performance and positions for the current and prior periods and/or as the disclosures set out in these consolidated financial statements.

#### (B) New and amendments to HKFRS Accounting Standards in issues but not yet effective

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new standards and amendments to HKFRS Accounting Standards, which are not effective on 1 January 2025, and which have not been adopted in these consolidated financial statements. The Group has not early applied the following which may be relevant to the Group:

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKFRS 9 and HKFRS 7 – Amendments to the classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company anticipate that, except as described below, the application of the above amendments to HKFRS Accounting Standards and Int will not have material impact on the consolidated financial statements in the foreseeable future.

### ***HKFRS 18 “Presentation and Disclosure in Financial Statements”***

HKFRS 18 will replace HKAS 1 “Presentation of Financial Statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose consolidated financial performance in the consolidated financial statements.

### **3. REVENUE AND SEGMENT INFORMATION**

#### **Revenue**

Disaggregation of revenue from contracts with customers by major products or service lines for the year is as follows:

	<b>2025</b>	2024
	<b><i>HK\$’000</i></b>	<i>HK\$’000</i>
Revenue from contracts with customers recognised at a point in time within the scope of HKFRS 15:		
Medical products	<b>78,544</b>	72,234
Plastic toys	<b>5,192</b>	4,487
Fee and commission income	<b>670</b>	1,061
	<b>84,406</b>	77,782
Revenue from other sources:		
Interest income from		
– Loan receivables	<b>31,893</b>	76,607
– Margin financing	<b>1,098</b>	2,846
	<b>32,991</b>	79,453
	<b>117,397</b>	157,235

## **Performance obligations for contracts with customers**

### ***Medical products***

For sales of medical products to international customers, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the customers' specific location. Performance obligations are satisfied at a point in time once control of the goods has been transferred to the customers and the customers have obtained control on the goods through their ability to direct other use of and obtain substantially all the benefits from the goods. The normal credit term is 30 days upon delivery.

### ***Plastic toys***

For sales of plastic toys to international customers and the wholesale market, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the customers' specific location. Performance obligations are satisfied at a point in time once control of the goods has been transferred to the customers and the customers have obtained control on the goods through their ability to direct other use of and obtain substantially all the benefits from the goods. The normal credit term is 30 to 90 days upon delivery.

### ***Securities brokerage business***

Performance obligation for fee and commission income from securities dealing and brokerage services are recognised on trade date basis when the relevant sales or purchase of securities transaction is executed. The normal settlement terms from cash client and securities clearing house are two days after trade date.

## **Segment information**

The Group has adopted HKFRS 8 "Operating Segments", which requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the "CODM") in order to allocate resources to the segment and to assess its performance. The executive directors of the Company are the CODM for the purposes of HKFRS 8 as they collectively make strategic decisions in allocating the Group's resources and assessing performance.

For the segment reporting purpose to the CODM, the Group is currently organised into the following three operating and reportable segments:

Medical products and plastic toys business	Manufacturing and distribution of medical care products and plastic toys
Securities brokerage business and asset management services	Securities brokerage, margin financing and underwriting and placements and provision of asset management services
Money lending business and other financial services	Provision of loan services and other financial services

## Segment revenue and results

The following is an analysis of the Group's revenue and result by reportable and operating segments.

	Medical products and plastic toys business <i>HK\$'000</i>	Securities brokerage business and asset management services <i>HK\$'000</i>	Money lending business and other financial services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>For the year ended 31 December 2025</b>				
Segment revenue – external	<u>83,736</u>	<u>1,768</u>	<u>31,893</u>	<u>117,397</u>
Segment results	<u>(13,102)</u>	<u>(3,188)</u>	<u>72,906</u>	<u>56,616</u>
Fair value gains/(losses) of:				
– investment properties				(621)
– financial assets at FVTPL				47,602
Property rental income				3,358
Gain on disposal of subsidiaries, net				1,532
Loss on early redemption of bonds				(1,418)
Bank interest income				332
Unallocated corporate expenses				<u>(25,217)</u>
Profit before taxation				<u><u>82,184</u></u>
<b>For the year ended 31 December 2024</b>				
Segment revenue – external	<u>76,721</u>	<u>3,907</u>	<u>76,607</u>	<u>157,235</u>
Segment results	<u>(14,106)</u>	<u>(17,914)</u>	<u>(89,432)</u>	<u>(121,452)</u>
Fair value gains/(losses) of:				
– investment properties				95
– financial assets at FVTPL				(997)
Property rental income				3,351
Gain on disposal of associates				108
Bank interest income				480
Unallocated corporate income				93
Unallocated corporate expenses				<u>(56,835)</u>
Loss before taxation				<u><u>(175,157)</u></u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended 31 December 2025 and 2024.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the profit earned by/loss from each segment without allocation of fair value gains/(losses) of investment properties and financial assets at FVTPL, property rental income, gain on disposal of subsidiaries, gain on disposal of associates, unallocated other income and corporate expenses including loss on early redemption of bonds. This is the measure reported to the CODM for the purposes of resources allocations and, performance assessment.

### Segment assets and liabilities

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

	<b>Medical products and plastic toys business <i>HK\$'000</i></b>	<b>Securities brokerage business and asset management services <i>HK\$'000</i></b>	<b>Money lending business and other financial services <i>HK\$'000</i></b>	<b>Consolidated <i>HK\$'000</i></b>
<b>As at 31 December 2025</b>				
Segment assets	<u>79,289</u>	<u>87,358</u>	<u>210,232</u>	376,879
Investment properties				20,826
Financial assets at FVTPL				185,812
Other unallocated assets				<u>18,703</u>
Total assets				<u><u>602,220</u></u>
Segment liabilities	<u>53,712</u>	<u>22,278</u>	<u>18,271</u>	94,261
Bonds				50,000
Other unallocated liabilities				<u>124,300</u>
Total liabilities				<u><u>268,561</u></u>

	Medical products and plastic toys business <i>HK\$'000</i>	Securities brokerage business and asset management services <i>HK\$'000</i>	Money lending business and other financial services <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>As at 31 December 2024</b>				
Segment assets	<u>99,801</u>	<u>90,629</u>	<u>457,503</u>	647,933
Investment properties				20,418
Financial assets at FVTPL				134,184
Other unallocated assets				<u>22,179</u>
Total assets				<u><u>824,714</u></u>
Segment liabilities	<u>49,318</u>	<u>27,477</u>	<u>15,764</u>	92,559
Bonds				363,092
Other unallocated liabilities				<u>119,811</u>
Total liabilities				<u><u>575,462</u></u>

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

- all assets, other than investment properties, interests in associates, financial assets at FVTPL and assets of the investment holding companies, are allocated to reportable and operating segments; and
- all liabilities, other than bonds and liabilities of the investment holding companies, are allocated to reportable and operating segments.

## Geographical information

The Group's operations are principally located in the People's Republic of China (the "PRC") and Hong Kong.

Information about the Group's revenue from external customers is presented based on the locations of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	100,001	99,872	626	1,444
Europe	10,792	46,723	–	–
The United States of America	765	4,435	–	–
The PRC (excluding Hong Kong)	3,893	3,442	57,303	54,854
Others*	1,946	2,763	–	–
	<u>117,397</u>	<u>157,235</u>	<u>57,929</u>	<u>56,298</u>

\* No further analysis by countries in this category is presented because the revenue from each individual country is insignificant to the total revenue.

*Note:* Non-current assets excluded those relating to financial assets at FVTPL and statutory deposits placed with clearing house.

## Revenue from major customers

The Group's revenue from external customers is mainly derived from customers located in Hong Kong and Europe (2024: Hong Kong and Europe). For the year ended 31 December 2024, there was no revenue from transactions with a single customer amounted to 10% or more of the total revenue. For the year ended 31 December 2025, revenue from major customers who have individually contributed to 10% or more of the total revenue of the Group are disclosed as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A	38,392	–
Customer B	24,348	–

The revenue from the above major customers was derived from medical products and plastic toys business.

**4. OTHER GAINS/(LOSSES), NET REVERSAL OF/(PROVISION FOR) IMPAIRMENT LOSS ON FINANCIAL ASSETS AT AMORTISED COST, NET**

**(a) Other gains/(losses), net**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Fair value gains/(losses) of:		
– investment properties	(621)	95
– financial assets at FVTPL	47,602	(997)
Gain on disposal of subsidiaries, net	1,532	–
Gain on disposal of associates	–	108
Gain on disposal of property, plant and equipment	271	–
Loss on written off of property, plant and equipment	–	(105)
Loss on early redemption of bonds	(1,418)	–
	<u>47,366</u>	<u>(899)</u>

**(b) Reversal of/(provision for) impairment loss on financial assets at amortised cost, net**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Reversal of/(provision for) impairment loss on trade receivables, net arising from:		
– medical products and plastic toys business	1,509	(1,007)
– securities brokerage business	630	(16,637)
Reversal of/(provision for) impairment loss on loan receivables, net	50,916	(156,259)
Provision for impairment loss on other receivables, net	(3,264)	(1,706)
	<u>49,791</u>	<u>(175,609)</u>

## 5. INCOME TAX CREDIT

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax – The PRC Enterprise Income Tax (“EIT”):		
Provision for the year	81	397
Over-provision in prior years	–	(628)
	<u>81</u>	<u>(231)</u>
Deferred tax	<u>(706)</u>	<u>(640)</u>
	<u><u>(625)</u></u>	<u><u>(871)</u></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 group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Corporate Income Tax in Taiwan is charged at 17% for both years.

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

## 6. PROFIT/(LOSS) FOR THE YEAR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit/(loss) for the year has been arrived at after charging:		
Salaries and allowances, including those of directors of the Company	18,415	22,961
Contributions to retirement benefit schemes, including those of directors of the Company	153	242
	<u>18,568</u>	<u>23,203</u>
Total employee benefits expense, including those of directors of the Company	<u>18,568</u>	<u>23,203</u>
Auditor’s remuneration		
– Audit services	700	700
– Non-audit services	10	–
Cost of inventories recognised as an expense	65,901	58,891
Depreciation of property, plant and equipment	2,750	1,876
Depreciation of right-of-use assets	1,004	1,286
	<u><u>1,004</u></u>	<u><u>1,286</u></u>

## 7. DIVIDENDS

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

## 8. EARNINGS/(LOSS) PER SHARE

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit/(loss) for the year attributable to owners of the Company, for the purpose of basic and diluted earnings/(loss) per share	<u>82,800</u>	<u>(174,244)</u>
	<b>Number of shares</b>	<b>Number of shares</b>
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share	<u>230,322,413</u>	<u>230,322,413</u>

Diluted earnings/(loss) per share for the years ended 31 December 2025 and 2024 were the same as basic earnings/(loss) per share as there were no potential ordinary shares in issue for the years ended 31 December 2025 and 2024.

## 9. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables arising from:		
Medical products and plastic toys business ( <i>Note (a)</i> )	26,288	24,224
Less: allowance for ECL	<u>(354)</u>	<u>(3,824)</u>
	<u>25,934</u>	<u>20,400</u>
Trade receivables from securities brokerage business ( <i>Note (b)</i> ):		
– Margin clients	126,988	122,432
Less: allowance for ECL	<u>(71,397)</u>	<u>(72,027)</u>
	<u>55,591</u>	<u>50,405</u>
Total trade receivables	81,525	70,805
Purchase deposits, other receivables and deposits	7,845	22,946
Amounts due from brokers	14,027	20,202
Prepayments	<u>969</u>	<u>1,467</u>
Total trade and other receivables and prepayments	<u>104,366</u>	<u>115,420</u>

Notes:

- (a) The Group allows an average credit period of 60 days to its trade customers from medical products and plastic toys business. The following is an aged analysis of trade receivables, net of allowance for ECL, from medical products and plastic toys business presented based on the invoice date at the end of reporting period, which approximated the respective revenue recognition dates.

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Within 30 days	<b>6,406</b>	7,825
31 to 90 days	<b>9,023</b>	701
91-365 days	<b>10,379</b>	11,482
Over 365 days	<b>126</b>	392
	<u><b>25,934</b></u>	<u>20,400</u>

Before accepting any new customer, the Group will assess the potential customer's credit quality and defines its credit limits. Credit sales are made to customers with a satisfactory trustworthy credit history. Credit limits attributed to customers are reviewed regularly.

- (b) The normal settlement terms of trade receivables from cash clients and securities clearing house are two days after trade date.

Trade receivables from margin clients, net of allowance for ECL, amounting to approximately HK\$48,472,000 (2024: HK\$43,287,000) as at 31 December 2025 are secured by clients' pledged securities with fair value of approximately HK\$28,539,000 (2024: HK\$30,519,000). All of the pledged securities are listed equity securities in Hong Kong. The margin loans are repayable on demand subsequent to settlement date and carry interest at Hong Kong Prime rate plus premium that ranges from 8% to 15% (2024: from 8% to 15%) per annum. Securities are assigned with specific margin ratios for calculating their margin values. Additional funds or collateral are required if the outstanding amount exceeds the eligible margin value of securities deposited. The collateral held can be sold at the Group's discretion to settle any outstanding amount owed by margin clients.

The Group has concentration of credit risk as 62% (2024: 57%) of the total loans to margin clients was due from the Group's five largest margin clients. The whole amount is secured by clients' pledged securities with the fair value of HK\$19,454,000 (2024: HK\$15,978,000) as at 31 December 2025. No ageing analysis is disclosed, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

In determining the allowances for impaired margin loans to margin clients, the management of the Group considers the margin shortfall by comparing the market value of stock portfolio and the outstanding balance of margin loan to securities margin clients individually. Impairments are made for those clients with margin shortfall as at year end and with no settlement after the year end.

## 10. FINANCIAL ASSETS AT FVTPL

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Financial assets classified as at FVTPL:		
Listed securities held for trading:		
– Equity securities listed in Hong Kong	175,191	114,150
Unlisted equity fund	5,616	13,494
Unlisted debt securities	5,005	6,540
	<u>185,812</u>	<u>134,184</u>
Analysed for reporting purpose as:		
Non-current assets	5,616	13,494
Current assets	180,196	120,690
	<u>185,812</u>	<u>134,184</u>

The Group recorded a gain of approximately HK\$47,602,000 (2024: loss of approximately HK\$997,000) on fair value changes of financial assets at FVTPL for the year ended 31 December 2025.

## 11. TRADE AND OTHER PAYABLES AND ACCRUALS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables arising from:		
Medical products and plastic toys business	20,436	10,472
Securities brokerage business:		
– Cash clients	14,409	12,914
– Margin clients	3,811	4,144
	<u>38,656</u>	<u>27,530</u>
Total trade payables	38,656	27,530
Other payables and accruals	162,669	162,198
	<u>201,325</u>	<u>189,728</u>

The following is an aged analysis of trade payables from medical products and plastic toys business presented based on the invoice date at the end of the reporting period:

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Within 30 days	<b>11,471</b>	7,910
31 to 90 days	<b>1,865</b>	29
Over 90 days	<b>7,100</b>	2,533
	<b><u>20,436</u></b>	<u>10,472</u>

The average credit period on purchases of goods from medical products and plastic toys business is 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The settlement terms of trade payable arising from the securities brokerage business are two days after trade date or at specific terms agreed with clearing house. Trade payables to cash and margin clients are repayable on demand. No ageing analysis is disclosed as in the opinion of directors of the Company, the ageing analysis does not give additional value in view of the nature of business of share margin financing.

As at 31 December 2025, the trade payables amounting to approximately HK\$18,220,000 (2024: HK\$17,058,000) were payable to clients in respect of the trust and segregated bank balances received and held for clients in the course of the conduct of regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

## **BUSINESS REVIEW**

Lerado Financial Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is an investment holding company. The Group is principally engaged in providing financial services including securities broking, margin financing and money lending etc., as well as manufacturing and distributing children plastic toys and medical care products like mobility aid and other medical equipment.

### **Medical Products and Plastic Toys Business**

In terms of products, sales revenue from medical products for the year ended 31 December 2025 was approximately HK\$78.5 million, representing a increase of approximately 8.7% over last year. Sales revenue from plastic toys increased by approximately 15.7% for the year ended 31 December 2025 to approximately HK\$5.2 million.

### **Securities Brokerage, Margin Financing, Underwriting and Placements and Assets Management Business**

Black Marble Securities Limited, a wholly-owned subsidiary of the Company (“**Black Marble Securities**”) has generated approximately HK\$1.5 million revenue for the year ended 31 December 2025 (2024: HK\$3.9 million), representing approximately 1.5% of the total revenue of the Group. It was mainly contributed by the interest income from the margin client of approximately HK\$1.1 million for the year ended 31 December 2025 (2024: HK\$2.8 million).

The Group wishes to provide a full range of financing services, such as assets management business and corporate finance business, to its clients other than only securities brokerage, underwriting and placements services and money lending business. The Group and the Company do not carry any Type 9 regulated activity. The Group is in the planning phase for developing an asset management business.

### **Money Lending and Finance Leasing**

For the year ended 31 December 2025, the Group continued with its money lending business in providing secured and unsecured loans to customers comprising individuals and corporations and commenced its finance lease business in the PRC. The Group has generated approximately HK\$31.9 million interest income for the year and has decreased approximately HK\$44.7 million as compared to last year, representing approximately 27.2% of the total revenue of the Group. Directors are of the view that such business will keep contribute the income stream of the Group and is one of the main sources of income for the Group. The decrease in revenue was mainly attributable to the decline in loan balances as the Group was more cautious in granting loans. Accordingly, the reversal of impairment loss on the loan receivables of approximately HK\$50.9 million was made.

## **PROSPECTS**

The Group has endeavored to develop and expand the financial sectors, including, money lending business, financing leasing and securities brokerage business in Hong Kong and the PRC. In order to further expand the business, the Company will focus on the existing businesses and wish to participate in providing other financial services, including but not limited to providing corporate finance, asset management, financial planning services, which can leverage with the Group's existing financial sectors.

The current global economic environment, marked by geopolitical instability, trade policy shifts, and elevated interest rates, continues to present significant challenges to market sentiment and economic activity. Consequently, our businesses in Hong Kong and the PRC are expected to face a challenging operating landscape in the coming years. In light of these market dynamics, the Group will adopt a cautious, flexible strategy. Going forward, with a view to achieving better returns and enhancing the Group's expansion, we will maintain focus on our existing business while actively seeking potential investment opportunities to diversify our business scope and leverage our core competencies.

## **FINANCIAL REVIEW**

Consolidated revenue of the Group for the year ended 31 December 2025 was approximately HK\$117.4 million (2024: HK\$157.2 million), representing a decrease of approximately 25.3% over last year. The decrease in the consolidated revenue was mainly due to the decrease of money lending business, of which the decrement was approximately HK\$44.7 million.

Gross profit margin of the Group for the year ended 31 December 2025 was approximately 43.9%, representing a decrease of approximately 18.6% as compared to the gross profit margin of approximately 62.5% last year. Profit of the Group for the year ended 31 December 2025 was approximately HK\$82.8 million (Loss in 2024: HK\$174.3 million) and profit for the year ended 31 December 2025 attributable to owners of the Company was approximately HK\$82.8 million (Loss in 2024: HK\$174.3 million). The profit was mainly due to the reversal of impairment loss recognized on loan receivables of approximately HK\$50.9 million for the year ended 31 December 2025. Besides, marketing and distribution expenses amounted to HK\$7.1 million (2024: HK\$17.5 million), representing a decrease of 59.4% over last year, it was mainly due to the decrease of marketing expenses due to stringent cost control during the year ended 31 December 2025. Finance cost amounted to HK\$ 8.8 million (2024: 28.2 million), representing a decrease of 68.9% over last year was mainly due to the bond redemption during the year ended 31 December 2025.

## **LIQUIDITY AND FINANCIAL RESOURCES**

The Group adopts a conservative policy in its financial management and maintains a solid financial position. Cash and cash equivalents of the Group as at 31 December 2025 decreased by approximately HK\$32.8 million to approximately HK\$58.3 million as compared to approximately HK\$91.1 million as at 31 December 2024. The Group has bond payable of approximately HK\$50.0 million (2024: HK\$363.1 million) as at 31 December 2025. As at 31 December 2025, the Group had net current assets of approximately HK\$282.7 million (31 December 2024: HK\$242 million) and a current ratio of approximately 2.1 (31 December 2024: 1.5). The Group's gearing ratio as at 31 December 2025 was approximately 15.0% (2024: 145.7%). The gearing ratio was computed by the total borrowings and bonds payable over the equity of the Group.

## **SIGNIFICANT INVESTMENTS**

Since there was no held-for-trading investments and other investments held by the Group valued more than 5% of the total assets of the Group as at 31 December 2025, there were no significant investments held by the Group.

## **PLEDGE OF ASSETS**

The Group did not have any pledged assets as at 31 December 2025.

## **EXCHANGE RISK EXPOSURE**

The Group's monetary assets, liabilities and transactions are mainly denominated in United States dollar, Renminbi, Hong Kong dollar, Euro and New Taiwan dollar. In the event that Renminbi appreciates, the Group will be affected directly. Although the Group currently does not maintain any hedging policy to hedge against foreign exchange exposure that may arise from the above transactions, the management team continuously assesses the foreign currency exposure, with an aim to minimize the impact of foreign exchange fluctuation on the Group's business operations.

## **EQUITY PRICE RISK EXPOSURE**

The Group is exposed to equity price risk through its investments in listed securities. Although, the Group currently does not maintain any hedging policy to hedge against the equity price risk, the management team manages this exposure by monitoring the price movements and the changes in market conditions that may affect the value of the investments and will consider taking appropriate actions to minimize the risk.

## **CONTINGENT LIABILITY**

As at 31 December 2025, the Company did not have any significant contingent liabilities.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2025, the Group employed a total workforce of 101 staff members (2024: 149). The gender ratio of the Group's workforce (including senior management) was approximately 45% female to approximately 55% male. The Group shall continue to take into account diversity perspectives including gender diversity in its hiring of employees from time to time. Apart from basic salaries, discretionary bonus and contribution to retirement benefits schemes, share options may also be granted to staff with reference to the individual's performance. Moreover, the Group also provides internal and external training to its staff to enable them to achieve self-improvement and to enhance their job related skills.

## **DIVIDENDS**

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

## **EVENT AFTER THE REPORTING PERIOD**

Reference was made to the announcement of the Company dated 12 January 2026.

On 12 January 2026, the Company disposed on the open market a total of 1,560,000 Kingland Group Shares at an aggregate consideration of approximately HK\$3.3 million (exclusive of transaction costs) at an average price of approximately HK\$2.11 per Kingland Group Share. As a result of the Disposal, the Group expects to realise a gain of approximately HK\$0.2 million. The Disposal constituted a discloseable transaction of the Company.

Saved as disclosed, there is no significant event after the year ended 31 December 2025 and up to the date of this 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 listed securities of the Company.

## **DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES**

As at 31 December 2025, none of the Directors, supervisor or the chief executive of the Company had interests or short positions in the shares, underlying shares and/or debentures (as the case may be) of the Company or its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO") which shall be recorded and maintained in the register pursuant to section 352 of the SFO, or which shall be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code").

## SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of Directors, the following Shareholders had notified the Company of relevant interests in the issued share capital of the Company.

### Long position in shares and underlying shares of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
Opus Platinum Growth Fund	Beneficial owner	18,000,000	7.82%
Mr. Lai Shu Fun, Francis Alvin (Note 1)	Interest in Controlled Corporation	18,000,000	7.82%

Note:

- (1) Mr. Lai Shu Fun, Francis Alvin is indirectly interested in approximately 40.03% of the total issued share capital of Opus Platinum Growth Fund. Therefore Mr. Lai Shu Fun, Francis Alvin is deemed to be interested in the 18,000,000 shares held by Opus Platinum Growth Fund.

Save as disclosed above, the Company has not been notified of any other relevant interests or short position in the issued share capital of the Company as at 31 December 2025.

## CORPORATE GOVERNANCE CODE

The Directors consider that the Company had complied with Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the year ended 31 December 2025.

## AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”), comprising of three independent non-executive Directors, namely Mr. Yu Tat Chi Michael, Mr. Yang Haihui and Mr. Lam Williamson, has reviewed the accounting principles and practices adopted by the Company, discussed auditing, internal control and financial reporting matters and reviewed the Group’s draft financial statements for the year ended 31 December 2025.

## COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code. All the Directors have confirmed that, following specific enquiry by the Company, they fully complied with the required standard as set out in the Model Code throughout the year ended 31 December 2025.

## **SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA 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 Company's auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 December 2025. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods (Hong Kong) CPA Limited on the preliminary announcement.

## **PUBLICATION OF ANNUAL REPORT**

The Company's annual report for the year ended 31 December 2025 containing all the relevant information required by the Listing Rules and other applicable laws will be published in due course on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.lerado.com](http://www.lerado.com), and will be despatched to the Shareholders in due course.

By order of the Board  
**Lerado Financial Group Company Limited**  
**MAN Yun Wah**  
*Company Secretary*

Hong Kong, 31 March 2026

*As at the date of this announcement, the executive Directors are Mr. CHEN Chun Chieh, Ms. HO Kuan Lai and Mr. LEUNG Kam Por Ken; and the independent non-executive Directors are Mr. YU Tat Chi Michael, Mr. YANG Haihui and Mr. LAM Williamson.*