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VALUE PARTNERS GROUP LIMITED

惠理集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 806)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

The key financial highlights for the reporting period are as follows:

(In HK\$ million)	2025	2024	% Change
Total fee income	922.1	466.8	+97.5%
Gross management fees	410.9	397.4	+3.4%
Gross performance fees	374.3	12.3	+2,943.1%
Other income	95.6	67.8	+41.0%
Operating profit/(loss) (before other gains/losses)	235.3	(46.4)	+607.1%
Net gains on investments	370.4	179.3	+106.6%
Profit attributable to owners of the Company	667.7	31.2	+2,040.1%
Basic earnings per share (HK cents)	36.6	1.7	+2,052.9%
Diluted earnings per share (HK cents)	36.6	1.7	+2,052.9%
Interim dividend per share (HK cents)	Nil	Nil	
Proposed final dividend per share (HK cents)	5.5	1.0	

FINAL RESULTS

The Board of Directors (the “Board”) of Value Partners Group Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
Income			
Fee income	2	922,130	466,808
Distribution fee expenses		(313,264)	(219,537)
Net fee income		608,866	247,271
Other income		95,551	67,760
Total net income		704,417	315,031
Expenses			
Compensation and benefit expenses	3	(346,242)	(227,454)
Lease charges and utilities		(6,634)	(5,669)
Depreciation of right-of-use assets – properties		(13,815)	(14,513)
Other expenses	4	(102,391)	(113,831)
Total expenses		(469,082)	(361,467)
Operating profit/(loss) (before other gains/losses)		235,335	(46,436)
Net gains on investments		370,362	179,260
Net foreign exchange gains/(losses)		28,131	(44,030)
Gain on disposal of a subsidiary		–	965
Others		(94)	(480)
Other gains – net	5	398,399	135,715
Operating profit (after other gains/losses)		633,734	89,279
Finance costs		(5,621)	(8,149)
Share of gains/(losses) of joint ventures	11	96,252	(46,652)
Share of losses of an associate		(582)	(749)
Profit before tax		723,783	33,729
Tax expense	6	(56,072)	(2,918)
Profit for the year		667,711	30,811
Other comprehensive income for the year			
– Items that have been reclassified or may be subsequently reclassified to profit or loss			
Net gains on financial assets at fair value through other comprehensive income	7	17,743	–
Foreign exchange translation	7	11,662	(21,374)
Total comprehensive income for the year		697,116	9,437
Profit attributable to			
Owners of the Company		667,698	31,235
Non-controlling interests		13	(424)
Total comprehensive income for the year attributable to		667,711	30,811
Owners of the Company		697,103	9,861
Non-controlling interests		13	(424)
		697,116	9,437
Earnings per share attributable to owners of the Company (HK cents per share)			
Basic earnings per share	8	36.6	1.7
Diluted earnings per share	8	36.6	1.7

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		144,717	145,400
Right-of-use assets		19,073	31,250
Investment property	10	176,133	173,307
Intangible assets		8,539	9,357
Investments in joint ventures	11	420,142	479,666
Deferred tax assets		2,084	2,304
Investment in an associate		2,243	1,388
Investments	12	1,845,871	1,688,685
Other assets		7,096	6,943
		2,625,898	2,538,300
Current assets			
Investments	12	37,114	60,407
Fees receivable	13	413,219	37,674
Deposits for purchase of investments	14	–	15,614
Amounts receivable on sales of investments		2,831	19,634
Prepayments and other receivables		24,970	26,147
Cash and cash equivalents	15	1,557,925	1,077,437
		2,036,059	1,236,913
Current liabilities			
Distribution fee expenses payable	16	57,357	44,894
Other payables and accrued expenses	17	238,479	71,181
Lease liabilities		13,521	12,865
Borrowing	18	1,079	65,941
Tax payable		41,844	148
		352,280	195,029
Net current assets		1,683,779	1,041,884
Non-current liabilities			
Borrowing	18	64,859	–
Lease liabilities		6,477	18,559
Accrued expenses		3,361	1,852
		74,697	20,411
Net Assets		4,234,980	3,559,773
Equity			
Equity attributable to owners of the Company			
Issued equity	19	1,326,832	1,326,832
Other reserves		8,312	37,645
Retained earnings		2,899,836	2,187,586
		4,234,980	3,552,063
Non-controlling interests		–	7,710
Total equity		4,234,980	3,559,773

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2025:

- Amendments to HKAS 21 – Lack of Exchangeability

New standards issued but are not effective for the financial year beginning 1 January 2025 and have not been early adopted

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- Annual Improvements to HKFRS Accounting Standards – Volume 11 (effective for annual periods beginning on or after 1 January 2026)
- HKFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)
- HKFRS 19 Subsidiaries without Public Accountability (effective for annual periods beginning on or after 1 January 2027)

The Group will adopt the new and amended standards when they become effective. The Group is currently assessing the related impact of adopting the above new and amended standards to the consolidated financial statements of the Group.

2. FEE INCOME

Fee income consists of fees from investment management activities and fund distribution activities.

	2025 HK\$'000	2024 HK\$'000
Management fees	410,908	397,352
Performance fees	374,263	12,306
Front-end fees	136,959	57,150
Total fee income	922,130	466,808

3. COMPENSATION AND BENEFIT EXPENSES

	2025 HK\$'000	2024 HK\$'000
Salaries, wages, bonus and other benefits	335,629	221,498
Share-based compensation/(net reversal of share-based compensation)	4,979	(994)
Pension costs	5,634	6,950
Total compensation and benefit expenses	346,242	227,454

4. OTHER EXPENSES

	2025 HK\$'000	2024 HK\$'000
Auditor's remuneration	3,417	3,927
Depreciation and amortization	9,505	10,245
Donations	1,070	23
Entertainment expenses	2,022	1,709
Information technology expenses	25,011	24,331
Insurance expenses	1,689	7,766
Legal and professional fees	7,846	6,396
Marketing expenses	7,018	3,676
Office expenses	3,296	5,439
Recruitment expenses	3,413	3,296
Registration and licensing fees	1,680	1,402
Research expenses	20,791	29,573
Transaction costs	4,257	3,507
Travelling expenses	2,062	3,266
Others	9,314	9,275
Total other expenses	102,391	113,831

5. OTHER GAINS – NET

	2025 HK\$'000	2024 HK\$'000
Net gains on investments		
Net realized gains/(losses) on financial assets at fair value through profit or loss	233,189	(37,673)
Net unrealized gains on financial assets at fair value through profit or loss	137,173	216,933
Gain on disposal of a subsidiary	–	965
Net foreign exchange gains/(losses)	28,131	(44,030)
Losses on disposal of property, plant and equipment	(94)	(480)
Total other gains – net	398,399	135,715

6. TAX EXPENSE

Under current tax laws of the Cayman Islands, there are no income, estate, corporation, capital gains or other taxes payable by the Group. As a result, no provision for Cayman Islands income and capital gains taxes has been made in the consolidated financial statements.

6. TAX EXPENSE (CONTINUED)

Hong Kong profits tax has been provided on the estimated assessable profit for the year ended 31 December 2025 at the rate of 16.5% (2024: 16.5%). Tax outside Hong Kong is calculated at the rates applicable in the relevant jurisdictions.

	2025 HK\$'000	2024 HK\$'000
Current tax		
Hong Kong profits tax	41,844	247
Overseas tax	14,233	2,540
Adjustments in respect of prior years	(225)	(967)
Total current tax	55,852	1,820
Deferred tax		
Origination and reversal of temporary differences	220	1,098
Total tax expense	56,072	2,918

7. OTHER COMPREHENSIVE INCOME

	2025 HK\$'000	2024 HK\$'000
Items that have been reclassified or may be subsequently reclassified to profit or loss:		
Net gains on financial assets at fair value through other comprehensive income	17,743	–
Foreign exchange translation	11,662	(21,374)
Total other comprehensive income	29,405	(21,374)

8. EARNINGS PER SHARE

The calculations of basic and diluted earnings per share are based on the profit for the year attributable to owners of the Company of HK\$667,698,000 (2024: HK\$31,235,000).

The basic earnings per share is based on the weighted average number of ordinary shares in issue during the year of 1,826,710,000 (2024: 1,826,710,000). The diluted earnings per share is calculated by the adjusted weighted average number of ordinary shares in outstanding during the year of 1,826,710,000 (2024: 1,826,710,000) to assume conversion of all dilutive potential ordinary shares granted under the Company's share option scheme.

9. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Proposed final dividend of 5.5 HK cents (2024: 1.0 HK cent) per ordinary share	100,469	18,267

For the year ended 31 December 2025, the directors recommended a final dividend of 5.5 HK cents per share. The estimated total final dividend is HK\$100,469,000. Such dividend is to be approved by shareholders at the Annual General Meeting of the Company on 12 May 2026 and has not been recognized as a liability at the balance sheet date.

For the year ended 31 December 2024, final dividend of HK\$18,267,000 was declared by the Company and HK\$18,267,000 was paid on 30 May 2025.

10. INVESTMENT PROPERTY

On 21 September 2018, the Group acquired the entire interest in a student accommodation investment property located in New Zealand with a consideration of HK\$146,390,000. The fair value of the investment property was HK\$176,133,000 at 31 December 2025 (2024: HK\$173,307,000).

11. INVESTMENTS IN JOINT VENTURES

As at 31 December 2025, “investments in joint ventures” on the consolidated balance sheet, amounting to HK\$420,142,000 (2024: HK\$479,666,000), represents the Group’s 50% equity interest in Value Investing Group Company Limited (“Value Investing”), Clear Miles Hong Kong Limited (“Clear Miles HK”), Golden Partners Investment Limited (“Golden Partners”), respectively, and 15% of the interest in AM 310 Ann Street Investor Unit Trust (“AM 310”). Value Investing has a beneficiary interests in a trust which had disposed all its underlying portfolio investments during the year (2024: held three logistic centers in Japan); AM 310 and Clear Miles HK hold two (2024: two) Australian commercial property projects; and Golden Partners has the beneficiary interests in seven (2024: seven) logistics assets in Italy. During 2025, Clear Miles HK disposed its 25% beneficial interest in AM Kent Street Investor Trust, which owns an Australian Commercial project consisting of two office buildings. The sale proceeds were settled through loan receivables of AUD49.5 million (equivalent to HKD249 million).

12. INVESTMENTS

Investments include the following:

	Financial assets at fair value through profit or loss		Financial assets at fair value through other comprehensive income		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Listed securities (by place of listing)						
Equity securities – Hong Kong	–	–	151,730	–	151,730	–
Debt securities – Asia Pacific*	–	59,580	11,946	–	11,946	59,580
Debt securities – Asia Pacific/Europe*	11,859	–	91,368	–	103,227	–
Debt securities – Europe*	11,706	–	59,544	–	71,250	–
Debt securities – Europe/Middle East*	–	–	11,796	–	11,796	–
Debt securities – Europe/United States*	–	–	15,871	–	15,871	–
Debt securities – Hong Kong	8,179	–	–	–	8,179	–
Investment funds – Hong Kong	177,033	441,207	–	–	177,033	441,207
Investment funds – Malaysia	15,653	12,021	–	–	15,653	12,021
Market value of listed securities	224,430	512,808	342,255	–	566,685	512,808
Unlisted securities (by place of incorporation/establishment)						
Equity securities – China	9,791	9,778	–	–	9,791	9,778
Investment funds – Cayman Islands	15,100	18,619	–	–	15,100	18,619
Investment funds – China	148,700	56,968	–	–	148,700	56,968
Investment funds – Hong Kong	773,609	491,806	–	–	773,609	491,806
Investment funds – Ireland	326,341	551,764	–	–	326,341	551,764
Investment funds – United States	42,759	107,349	–	–	42,759	107,349
Fair value of unlisted securities	1,316,300	1,236,284	–	–	1,316,300	1,236,284
Representing:						
Non-current	1,527,854	1,688,685	318,017	–	1,845,871	1,688,685
Current	12,876	60,407	24,238	–	37,114	60,407
Total investments	1,540,730	1,749,092	342,255	–	1,882,985	1,749,092

* The securities are listed in more than one exchanges.

13. FEES RECEIVABLE

Fees receivable from investment management activities are mainly due at the end of the relevant valuation period of the investment funds and managed accounts. However, some of these fees receivable are only due after the relevant valuation period as a result of credit periods granted to certain investment funds and managed accounts which are generally within one month. The ageing analysis of fees receivable that were past due but not impaired is as follows:

	2025 HK\$'000	2024 HK\$'000
Fees receivable that were past due but not impaired		
31 – 60 days	1,266	1,077
61 – 90 days	110	35
Over 90 days	108	215
	<u>1,484</u>	<u>1,327</u>
Fees receivable that were within credit period	<u>411,735</u>	<u>36,347</u>
Total fees receivable	<u>413,219</u>	<u>37,674</u>

14. DEPOSITS FOR PURCHASE OF INVESTMENTS

During the year ended 31 December 2023, Sensible Asset Management Hong Kong Limited (“SAMHK”), a subsidiary of the Group, entered into a conditional subscription and share purchase agreement with PT Aldiracita Sekuritas Indonesia (“Aldiracita”), to purchase 29.99% interest in PT Surya Timur Alam Raya Asset Management (“STAR”), with a consideration of US\$3.5 million (equivalent to HK\$27 million).

On 2 September 2024, an amendment agreement was entered with Aldiracita and SAMHK would purchase 20.13% interest in STAR instead of 29.99%, at a consideration of US\$2.0 million (equivalent to HK\$16 million). As at 31 December 2024, the purchase of STAR is still subject to the regulatory approval, the cash consideration of US\$2.0 million (equivalent to HK\$16 million) deposited to escrow account was recognized as “Deposits for purchase of investments” in the consolidated balance sheet.

During 2025, the purchase of STAR was cancelled after mutual agreement between SAMHK and Aldiracita.

15. CASH AND CASH EQUIVALENTS

	2025 HK\$'000	2024 HK\$'000
Cash at banks and in hand	48,633	137,144
Short-term bank deposits	66,176	117,410
Investments in money market instruments	1,440,869	821,868
Deposits with brokers	2,247	1,015
Total cash and cash equivalents	<u>1,557,925</u>	<u>1,077,437</u>

16. DISTRIBUTION FEE EXPENSES PAYABLE

The carrying amounts of distribution fee expenses payable approximate their fair value due to the short-term maturity. The aging analysis of distribution fee expenses payable is as follows:

	2025 HK\$'000	2024 HK\$'000
0 – 30 days	51,483	40,227
31 – 60 days	1,188	–
Over 60 days	4,686	4,667
Total distribution fee expenses payable	57,357	44,894

17. OTHER PAYABLES AND ACCRUED EXPENSES

The balance represents other payables and accrued expenses for the ordinary operation of the Group including compensation and benefit expenses, information technology expenses, research expenses, professional fees and office expenses. The balance is mainly denominated in Hong Kong dollar, Renminbi and United States dollar.

18. BORROWING

	2025 HK\$'000	2024 HK\$'000
Current		
Bank loan	1,079	65,941
Non-current		
Bank loan	64,859	–

The borrowing is secured by the investment property located in New Zealand (Note 10).

The maturity of borrowing is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	1,079	65,941
Between 1 and 5 years	64,859	–
	65,938	65,941

19. ISSUED EQUITY

	Number of shares	Issued equity HK\$'000
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	1,826,709,831	1,326,832

CHAIRMAN’S STATEMENT

The year of 2025 was marked by both global market turbulence and structured opportunities. Amid heightened uncertainty, the shifts took shape across economies and industries. The world continued its evolution toward multipolarity, while geopolitical competition and trade realignment reshaped the global order. Volatility in the macro environment intensified, yet the transformative power of technology—led by artificial intelligence—gained unprecedented momentum. Meanwhile, global supply chains underwent accelerated reconfiguration. Within this dynamic landscape, the Asia-Pacific region stood out as the anchor of global resilience, underpinned by its comprehensive industrial ecosystem, vibrant talent base, and mature financial infrastructure.

For over three decades, Value Partners Group has remained deeply rooted in the Asian markets. Guided by our enduring philosophy of “Client First, Professionalism Creates Value”, we have maintained a disciplined long-term approach, continually enhancing our research, product innovation, and operational excellence to deliver sustainable value for our clients. In 2025, despite external complexities, the Group leveraged prudent asset allocation and disciplined investment strategies to capture growth opportunities across high quality Asian assets. Our flagship funds—the Value Partners Classic Fund, Value Partners High-Dividend Stocks Fund, and Value Partners Asian Income Fund—each delivered remarkable annual returns. The Value Partners High-Dividend Stocks Fund and Value Partners Taiwan Fund both reached record highs in net asset value. By year-end, our assets under management reached USD6.2 billion, with a net profit of HKD668 million. These solid results reaffirm our unwavering confidence in Asia’s growth potential and the successful execution of our strategic priorities.

Anchored in Asia’s Growth Trajectory

Asia continues to be the cornerstone of our investment philosophy. According to International Monetary Fund (IMF), global GDP growth between 2026 and 2030 is projected to hover around 3.1% to 3.3%, while Asian economies are expected to achieve growth rates of 4.5% to 5.0%—significantly outpacing the global average. We believe that Asia’s long-term competitiveness rests upon three foundational strengths:

First – Industrial supremacy through integrated supply chains. From energy and critical minerals to advanced manufacturing, Asia boasts a full industrial spectrum. China, Japan, and South Korea maintain core leadership in semiconductors and precision manufacturing, while Southeast Asia is rapidly emerging as the world’s “second manufacturing center,” forming an integrated ecosystem with Northeast Asia.

Second – Regional synergy and operational efficiency. The region’s layered production network enables cost-effective and agile output. Mature supply chains in Northeast Asia combine with Southeast Asia’s labor and land advantages to optimize capacity efficiency globally.

Third – Substantial demographic and talent reserves. Home to 60% of the world’s population, with a median age of 32.8, Asia continues to provide a robust talent pool for innovation-driven industries such as AI and semiconductors. Rising affluence and high savings rates are fueling strong demand for professional wealth management. The region’s wealth management market is forecast to grow at a compound annual rate of 7.2% from 2026 to 2031¹.

We will continue to deepen our presence across Asia, striving to help investors share in the region’s sustainable growth and prosperity.

Upholding Value Investing, Delivering Long-Term Commitment

The Value Partners Classic Fund has delivered cumulative returns of 4,973% since the fund's inception 32 years ago, representing an annualized return of 12.7%. Value Partners High-Dividend Stocks Fund has achieved cumulative returns of 1,268% over 23 years, with an annualized return of 11.9%. Globally, we are the first asset manager to launch gold ETF with physical depot in Hong Kong and have been managing the Value Gold ETF (3081.HK) over 15 years.

These remarkable results reflect our unwavering long-term commitment to value investing philosophy – focusing on fundamental analysis, conducting in-depth research, and consistently prioritizing the interest of our clients.

Empowering Growth through Technology and Innovation

Innovation is the engine of our future. In 2025, Value Partners advanced its digital transformation by embedding artificial intelligence across research, client services, and operations. AI-driven models have enhanced the precision and speed of analysis, client engagement tools have improved advisory experiences, and our centralized data platform has streamlined operations, strengthening efficiency and cost discipline. We will continue to deepen technology integration to enhance decision-making, elevate client experiences, and reinforce our competitive edge in an evolving market.

Leveraging Hong Kong's Strategic Position

Hong Kong's role as a global financial gateway has never been more significant. Since 2025, the city's IPO market has remained active, trading volumes have risen, and the expansion of connectivity initiatives—such as ETF Connect and Wealth Management Connect—has strengthened capital linkages. As the leading offshore RMB center, Hong Kong continues to attract global capital. Value Partners will build upon this momentum by enhancing our product suite and accelerating innovation, connecting investors across Mainland China and international markets through diversified investment solutions.

Outlook for 2026

Looking ahead, 2026 begins amid continuing global transformation. Yet Asia's momentum remains robust, powered by structural growth, the enduring strength of value investing, the accelerating impact of technology, and Hong Kong's strategic position at the heart of global finance. Value Partners will embrace change with confidence and agility—continuously monitoring global macro trends, dynamically optimizing asset allocation, and upholding the highest standards of research and risk management.

Appreciation

I would like to express my heartfelt gratitude to our investors, partners, and shareholders for their continued trust and support. I would also like to extend my sincere appreciation to every member of the Value Partners Group for their dedication, professionalism, and unwavering commitment.

Lin Xianghong
Chairman and Executive Director

1. Source: Mordor Intelligence, *Asia Pacific Wealth Management Market Report (2026–2031)*.
<https://www.mordorintelligence.com/industry-reports/asia-pacific-wealth-management-market>

Note: Cumulative performance net of all fees.

Source: Value Partners data, up to 31 December 2025

MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, Asian markets continued to recover amid a complex global environment, with investor sentiment improving on the back of stabilizing regional growth and supportive policy measures. Confidence strengthened notably in Hong Kong and Mainland China, where equity markets gained momentum and capital-raising activities accelerated. Hong Kong's IPO market reclaimed its position as a leading global fundraising venue, driven heavily by A+H listings, increasing representation from biotech and technology issuers, and a more supportive listing framework following rule reforms that broadened market accessibility and enhanced competitiveness.

Against this improving market environment, Value Partners delivered significant growth in assets under management ("AUM"), supported by exceptional fund performance across key strategies. The Group recorded a notable increase in gross subscription during the year, reaching the highest level since 2022, signaling renewed client confidence and deeper engagement across both institutional and intermediary channels. This progress highlights the strength and resilience of our investment capabilities and the consistency of our performance through market cycles.

On the other hand, we remain vigilant amid heightened macroeconomic uncertainties, particularly as geopolitical tension in the Middle East intensified in early 2026. As global investors reassess risk and continue reallocating capital toward Asia, our disciplined investment, ongoing product innovation, and steadfast commitment to operational excellence position us well to capture emerging opportunities and deliver sustainable long-term value to stakeholders.

Financial highlights

As at 31 December 2025, the Group's AUM reached US\$6.2 billion, representing a 21% increase from US\$5.1 billion as at the end of 2024. The growth in AUM was mainly attributable to an improved equity market environment with strong fund performance, a significant increase in gross subscriptions and steady net fund inflows during the year.

The Group reported a significant improvement in profitability, with net profit increasing to HK\$668 million, compared with HK\$31 million in 2024. This was primarily driven by the recognition of performance fees of HK\$374 million, and gains from the Group's proprietary investments amounting to HK\$466 million. Gross management fees recorded a modest year-on-year increase of 3%, rising to HK\$411 million in 2025.

The Group achieved US\$2.3 billion in gross subscriptions in 2025 (2024: US\$1.4 billion), outperforming many industry peers. Strong investor demand continued for the Group's Asian income-themed dividend strategies, and alternative investment solutions. Consistent net inflows were recorded across key products: the Value Partners Asian Income Fund¹, the Value Partners USD Money Market Fund², the Value Partners Japan REIT Fund³, the Value Gold ETF⁴ (3081.HK) and the Group's healthcare private equity funds.

Throughout 2025, the Group maintained stringent cost discipline and streamlining to enhance productivity amid a challenging market environment with greater volatilities and complexities. These measures ensured that the Group's cost base remain aligned with long-term strategic needs. Total fixed expenses, including staff costs, office rental, research, IT and other administrative expenses, were HK\$283 million, representing a 7% reduction from HK\$304 million in 2024.

As at 31 December 2025, the Group continued to maintain a strong and liquid balance sheet, with net assets of HK\$4.2 billion, comprising HK\$1.6 billion in cash and cash equivalents and HK\$2.5 billion in investments. The Group will continue to deploy capital to incubate new products to meet long-term strategic growth ambitions and manage resources prudently to support future business requirements.

Enhancing our client reach

In 2025, we continued to broaden our client engagement by leveraging Hong Kong's roles as a "super-connector" between Mainland China and the global financial community. Participation in key cross-border initiatives – particularly the Mainland-Hong Kong Mutual Recognition of Funds ("MRF") scheme, the Cross-boundary Wealth Management Connect Scheme ("WMC") and the New Capital Investment Entrant Scheme ("New CIES") – further deepened our connectivity with both Mainland China and global investors. These programs expanded our distribution footprint, enhanced brand visibility, and reinforced Hong Kong's position as a gateway to Mainland China's capital markets.

Enhancements to the MRF scheme in January 2025 improved the accessibility of our funds and supported our distribution strategy in China. During the year, we recorded strong inflows into our MRF-approved the Value Partners High-Dividend Stocks Fund⁵ and the Value Partners Classic Fund⁶, reflecting sustained demand for high-quality active strategies. Building on this momentum, we will continue to expand our MRF product range, diversify distribution channels, and further broaden our client base.

Separately, we were appointed by the Hong Kong Investment Corporation Limited as one of the asset managers for the 2025 capital batch of the investment portfolio under the New Capital Investment Entrant Scheme. This appointment underscores the strength of our investment capabilities and provides a valuable platform for contributing to Hong Kong's innovation-driven development.

We continued to broaden our distribution capabilities through strategic partnerships. During the year, we collaborated with leading Chinese distribution banks and securities firms to provide their clients with enhanced access to offshore investment solutions. We also established and deepened partnerships with various virtual banks and digital platforms to explore online distribution opportunities in order to better meet the evolving needs of investors, supported by our long-standing expertise across Asian markets.

The rebound in China and Hong Kong equity markets also renewed interest from international investors reassessing their regional allocations. We continued to serve these clients via Hong Kong, supporting their long-term investment objectives across market cycles. In 2025, investors' Due Diligence Questionnaires (DDQs), Requests for Information (RFIs), and Requests for Proposals (RFPs) increased across all major asset classes, highlighting the growing recognition of our performance track record and investment expertise. This expanding level of engagement demonstrates our strengthening market position and the increasing importance of our platform to global institutions seeking high-quality Asia investment solutions.

At the same time, we continued to strengthen our presence across Southeast Asia through partnerships in Singapore, Malaysia, and other ASEAN markets. In Malaysia, we expanded distribution with local partners and increased coverage across more provinces. Regionally, we deepened engagement with single- and multi-family offices, supported by government initiatives that have made family office establishment a growing trend among high-net-worth families.

With over 30 years of investment experience, we are well positioned to help high-net-worth individuals and families navigate a rapidly evolving market environment – mitigating risks, capturing opportunities, and preserving long-term wealth. Looking forward, we will continue to build new distribution channels across Asia to extend our reach and support sustainable growth.

Product expansion and strategic highlights

In 2025, we remained focused on delivering consistent income and growth through high-conviction, income-oriented, and thematic strategies tailored to evolving client needs. In a year where both equities and bonds posted positive gains, our actively managed strategies benefited from broader market participation and a rebound in risk appetite.

Our China and North Asia capabilities also delivered standout gains. The Value Partners Taiwan Fund⁷ reached new all-time highs, rising above its high-water mark and returning 66.4% for the year, compared with 33.2% for the Taiwan Stock Exchange Weighted Index (Total Return)⁸. Our broader regional equity strategies similarly posted strong performance: the Value Partners Classic Fund⁶ returned 37.6%, and the Value Partners China Greenchip Fund⁹ returned 36.1%, underscoring our ability to identify opportunities across China and Asia's diverse equity markets.

Our multi-asset franchise continued to demonstrate resilience in dynamic market conditions. Two of our strategies ranked among the top 10 performing mixed-asset funds of 2025 distributed in Hong Kong or Singapore¹⁰. The Value Partners Asian Innovation Opportunities Fund¹¹ delivered a 41.0% return, ranking first on the list, while the Value Partners Multi Asset Fund¹² ranked third with a 34.8% return – highlighting effective execution in higher-risk mixed-asset strategies against a constructive backdrop.

Demand for our income-focused products strengthened meaningfully. The AUM of the Value Partners Asia Income Fund¹ has recorded more than doubled from US\$231 million as at 31 December 2024 to US\$491 million, by end of this year driven by both distribution momentum and sustained recognition of Asia income as a core asset allocation theme.

We further broadened our thematic and alternative offerings. The Value Partners Health Care Fund¹³ delivered a 28.5% return, supported by improving sector sentiment and selective opportunities in healthcare innovation. Meanwhile, the Value Gold ETF⁴ rose 64.7% amid ongoing capital inflows into commodities, reaffirming its role as a liquid and transparent diversification tool.

Our strategic priorities advanced across product innovation and platform enhancement. We launched the Value Partners Money Market ETFs in USD¹⁴, HKD¹⁵ and RMB¹⁶, introducing a new suite of defensive solutions designed to help investors manage cash with improved liquidity and efficiency. This represents a significant milestone in our expansion into the money-market ETF space, and we plan to further broaden our ETF lineup.

We also strengthened our fixed income platform by launching our first global fixed income fund, expanding our capability set across duration and geographic exposures. Looking ahead, we aim to work closely with financial institutions to bring additional fixed income solutions to market in response to evolving investor needs.

On the distribution front, we enhanced product accessibility by onboarding the Value Gold ETF⁴ unlisted share classes across major distribution platforms. These share classes are now available through a wide range of partners – including leading banks, virtual banks, securities firms, and insurance providers – supporting broader penetration across client segments.

In private markets, we reinforced our commitment to innovation by acting as the lead investor in Insilico Medicine's US\$123 million Series E round, supporting the acceleration of AI-powered drug discovery. The company's Hong Kong market debut on 30 December 2025 was met with strong market enthusiasm, with the shares rising on listing and driving the market capitalization to approximately US\$2.1 billion with IPO fundraising.

Our 2025 performance reflected the increasing maturity and capability of our investment platform. We strengthened our research engine through recruiting seasoned sector experts across key Asian growth industries, significantly deepening our analytical coverage and sharpening our ability to identify high-quality investment opportunities. Enhanced fieldwork and a broadened channel-check ecosystem further improved the quality and reliability of our investment theses, supporting a higher proportion of high-conviction ideas in our portfolios.

Execution discipline also improved meaningfully during the year. We embedded closer coordination between our macro, quantitative and fundamental research teams, enabling faster alignment of top-down and bottom-up views and more coherent portfolio positioning. The combination of a flat hierarchy, direct communication channels and accelerated decision-making processes enhanced our responsiveness to market dynamics and allowed us to manage risk more proactively. These developments highlight the continued strengthening of our investment capabilities and reinforce the positive trajectory of our platform's competitiveness and market relevance.

We are progressively and methodologically adopting artificial intelligence (AI) to improve internal productivity across the organization. On the investment and research front, we integrated AI throughout the research workflow, deploying deep research tools to boost stock research output efficiency, while implementing earnings-call scheduling and attendance bots to save researchers time. In sales and client engagement, we leveraged AI marketing to improve precision outreach, launched realistic AI digital-human videos for investor education, and develop in-house and staff product knowledge base supporting natural-language searches of fund documents.

Our investment capabilities continued to receive strong industry recognition in 2025, with several meaningful awards across public and private markets. At the Bloomberg Businessweek (Chinese Edition) Top Fund Awards 2024, presented in 2025, the Value Partners Asian Income Fund¹ (A USD Inc) was named Best Performer – Mutual Funds (5 years), Asia Allocation, while the Value Gold ETF⁴ was recognized as Outstanding Performer – ETFs (Total Return 1 year), Commodity – Gold. Our China equity expertise was further acknowledged at the Fund Selector Asia Awards Singapore 2025, where the Value Partners China A Shares High Dividend Fund¹⁵ (Class V Unhedged Acc USD)¹⁷ received the Gold Award in the Greater China/China Equity category.

In fixed income, Value Partners was named a Top Investment House – G3 Bonds (Highly Commended) at The Asset Benchmark Research Awards 2025, and one of our senior fund managers was also ranked among the Top 10 Most Astute Investors in G3 Bonds. In China, our Shanghai subsidiary was honored as an “Exemplary Foreign Private Equity Institution” by China Fund News, underscoring the growing recognition of our on-the-ground private markets capabilities. These achievements reflect the continued strengthening of our platform and the confidence placed in our strategies by industry participants and institutional investors.

Business outlook

Market conditions in the year ahead are expected to remain volatile. While we maintain a broadly constructive view on Asia's medium to long-term outlook, we are increasingly mindful of near-term risks. Heightened geopolitical tensions – including the ongoing conflict involving the US, Israel, and Iran have reintroduced macroeconomic uncertainties, with the potential for elevated oil prices to trigger rapid shifts in market sentiment and cross-asset correlations. Although Asia's robust performance in 2025 provides a solid foundation for 2026, near-term growth will be closely tied to global market developments and the effectiveness of policy implementation. Even so, strengthening economic fundamentals and ongoing structural reforms across major Asian markets continue to serve as important drivers of support.

The Group delivered a successful turnaround in 2025, marked by meaningful AUM growth and improved client engagement. Building on this momentum, we will continue to emphasize disciplined investment execution, strengthen distribution capabilities, and expand our product range to meet evolving investor needs.

With more than 30 years of value investing expertise and a longstanding focus on Hong Kong and Mainland China, Value Partners is well positioned to serve as a bridge between international capital and opportunities across Greater China. Leveraging Hong Kong's unique role as a financial gateway, we aim to deepen connectivity with global investors, capture cross-border capital flows and deliver differentiated value through high-conviction strategies and innovative solutions.

We continue to identify selective opportunities across specific themes and asset classes, including commodities, which may play an increasing strategic role amid ongoing energy price pressures. We also see potential in AI-related innovation and digital assets related development as market infrastructure matures and investor adoption progresses.

Looking ahead, we remain focused on working closely with financial institutions and strategic partners to broaden our product offerings, while maintaining disciplined risk management in an increasingly complex macroeconomic environment.

1. Annual calendar returns of Value Partners Asian Income Fund (Class A USD Unhedged Acc) over the past five years: 2021: +3.3%; 2022: -17.8%; 2023: +7.6%; 2024: +11.0%; 2025: +29.0%; 2026 (Year to date as at 28 February): +12.1%.
2. Value Partners USD Money Market Fund (Class A USD Acc) was launched on 18 August 2023. The fund's annual calendar returns since 1 January 2024: 2024: +4.8%; 2025: +4.2%; 2026 (Year to date as at 28 February): +0.6%.
3. Value Partners Japan REIT Fund (Class A JPY Unhedged MDis) was launched on 23 April 2024. The fund's annual calendar returns since 1 January 2025: 2025: +24.2%; 2026 (Year to date as at 28 February): -0.2%.
4. Annual calendar returns of Value Gold ETF over the past five years: 2021: -3.6%; 2022: -0.8%; 2023: +13.5%; 2024: +25.3%; 2025: +64.7%; 2026 (Year to date as at 28 February): +20.6%.
5. Annual calendar returns of Value Partners High-Dividend Stocks Fund (Class A1) over the past five years: 2021: +3.5%; 2022: -18.9%; 2023: +4.1%; 2024: +11.4%; 2025: +29.9%; 2026 (Year to date as at 28 February): +12.8%.
6. Annual calendar returns of Value Partners Classic Fund (A Units) over the past five years: 2021: -6.6%; 2022: -28.1%; 2023: -5.0%; 2024: +11.8%; 2025: +37.6%; 2026 (Year to date as at 28 February): +5.5%.
7. Annual calendar returns of Value Partners Taiwan Fund (Class A USD) over the past five years: 2021: +22.0%; 2022: -32.0%; 2023: +43.7%; 2024: +9.7%; 2025: +66.4%; 2026 (Year to date as at 28 February): +24.6%.
8. Taiwan Stock Exchange, 31 December 2025.
9. Annual calendar returns of Value Partners China Greenchip Fund Limited (Class A HKD) over the past five years: 2021: -6.6%; 2022: -27.5%; 2023: -6.1%; 2024: +13.0%; 2025: +36.1%; 2026 (Year to date as at 28 February): +6.3%.
10. Source: Fund Selector Asia, "The top 10 performing mixed-asset funds of 2025," available at: <https://fundselectorasia.com/the-top-10-performing-mixed-asset-funds-of-2025/>
11. Annual calendar returns of Value Partners Asian Innovation Opportunities Fund (Class A USD Unhedged Acc) over the past five years: 2021: +9.0%; 2022: -24.7%; 2023: +20.5%; 2024: +6.6%; 2025: +41.0%; 2026 (Year to date as at 28 February): +18.7%.
12. Annual calendar returns of Value Partners Multi-Asset Fund (Class A USD Acc) over the past five years: 2021: -14.0%; 2022: -18.6%; 2023: -9.7%; 2024: +5.9%; 2025: +34.8%; 2026 (Year to date as at 28 February): +5.8%.
13. Annual calendar returns of Value Partners Health Care Fund (Class A USD Unhedged) over the past five years: 2021: -14.8%; 2022: -17.8%; 2023: -7.4%; 2024: -14.2%; 2025: +28.5%; 2026 (Year to date as at 28 February): +4.4%.
14. Value Partners USD Money Market ETF (Class A USD) was launched on 15 October 2025. The fund's return since inception to 28 February 2026: +1.4%.
15. Value Partners HKD Money Market ETF (Class A HKD) was launched on 15 October 2025. The fund's return since inception to 28 February 2026: +1.1%.
16. Value Partners RMB Money Market ETF (Class A RMB) was launched on 15 October 2025. The fund's return since inception to 28 February 2026: +0.5%.
17. Value Partners China A Shares High Dividend Fund is not authorized by SFC and is not available to the general public in Hong Kong.

Source for performance figures: HSBC Institutional Trust Services (Asia) Limited and Bloomberg. Past performance is not indicative of future performance. Performance is calculated in USD, NAV to NAV, with dividend reinvested and net of fees.

SFC authorization is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance.

FINANCIAL REVIEW

Assets Under Management (“AUM”)

AUM and return

The Group’s AUM reached US\$6,153 million as at 31 December 2025 (31 December 2024: US\$5,110 million), representing a solid year-on-year increase of 20%. This growth was primarily driven by robust investment performance, which generated positive fund returns of US\$1,203 million, complemented by net subscriptions of US\$193 million during the year.

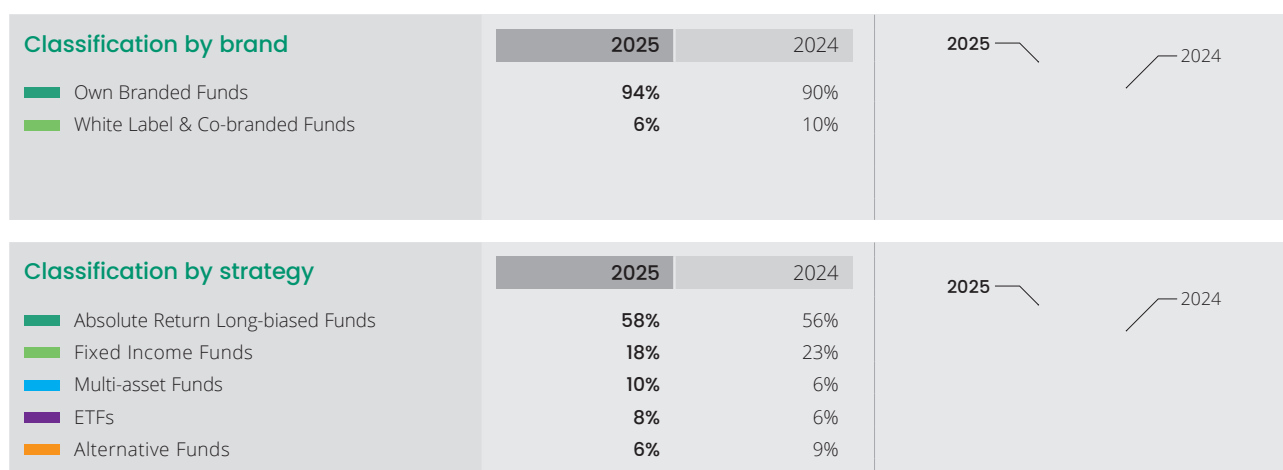
Our flagship strategies continued to demonstrate strong resilience and competitiveness. The Value Partners High-Dividend Stocks Fund¹ and the Value Partners Classic Fund² delivered excellent full-year returns of 29.9% and 37.6%, respectively. The Value Partners Greater China High Yield Income Fund³ also achieved a positive return of 10.2%. Meanwhile, the Value Partners Asian Income Fund⁴ experienced healthy inflows, underpinned by stable performance across our income-focused solutions. The fund recorded a year-to-date return of 29.0%, placing it in the first quartile of its Morningstar peer group⁵ as at 31 December 2025. In addition, our Value Gold ETF⁶ benefited from rising gold prices, delivering a year-to-date return of 64.7%, the highest since its inception.

During 2025, gross subscriptions increased to US\$2,293 million (2024: US\$1,447 million), reflecting improved investor sentiment and stronger distribution momentum. Gross redemptions declined to US\$2,100 million (2024: US\$2,492 million), resulting in net subscriptions of US\$193 million, compared with a net redemption of US\$1,045 million in 2024.

Subscriptions and Redemptions	US\$ million			
	Gross subscriptions Gross redemptions Net subscriptions/(redemptions)			
	1H 2025	2H 2025	FY 2025	FY 2024
AUM change in the year 2025	US\$ million			
	Beginning AUM			
	Subscriptions			
	Redemptions			
	Performance			
	Dividend distribution/ adjustments			
	Ending AUM			

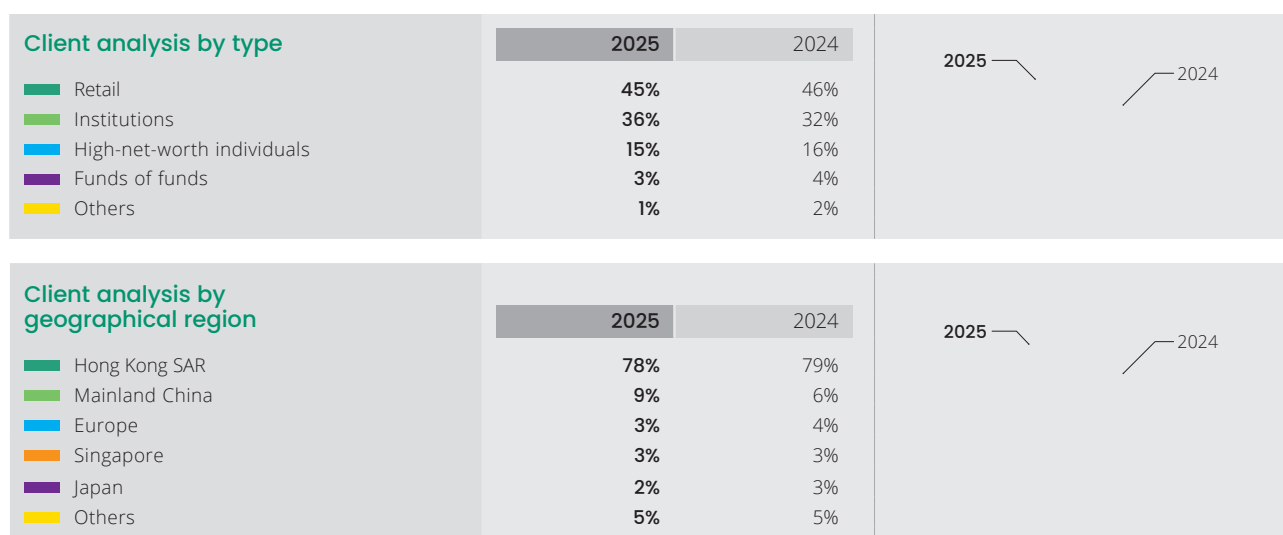
AUM by category

The charts below represented the breakdowns of the Group's AUM as at 31 December 2025 using two classifiers: brand and strategy. Own Branded Funds (94%) remained the biggest contributor to the Group's AUM. By strategy, Absolute Return Long-biased Funds (58%) continued to represent the largest share of the Group's AUM, followed by Fixed Income Funds (18%), in which the Value Partners Greater China High Yield Income Fund³ was the largest contributor. Multi-asset Funds increased from 6% to 10% of total AUM, driven mainly by robust net inflows into the Value Partners Asian Income Fund⁴.



Client base

During the year, the Group continued to serve a well-diversified and high quality client base. Institutional clients – including institutions, high-net-worth individuals, funds of funds, pension funds, endowments and foundations, and family offices and trusts – remained the Group's primary set of fund investors, accounting for 55% of total AUM (31 December 2024: 54%). Meanwhile, retail clients contributed 45% of total AUM (31 December 2024: 46%). In terms of geographic location, Hong Kong SAR clients continued to be the largest segment, contributing 78% of the Group's AUM (31 December 2024: 79%). Notably, the share of AUM contributed by clients in Mainland China rose to 9% (31 December 2024: 6%), reflecting strong net inflows into our two flagship products, the Value Partners High-Dividend Stocks Fund¹ and the Value Partners Classic Fund², through the Hong Kong-Mainland Mutual Recognition of Funds ("MRF") scheme during the year.



Summary of results

Key financial highlights for the reporting period are as follows:

(In HK\$ million)	2025	2024	% Change
Total fee income	922.1	466.8	+97.5%
Gross management fees	410.9	397.4	+3.4%
Gross performance fees	374.3	12.3	+2,943.1%
Other income	95.6	67.8	+41.0%
Operating profit/(loss) (before other gains/losses)	235.3	(46.4)	+607.1%
Net gains on investments	370.4	179.3	+106.6%
Profit attributable to owners of the Company	667.7	31.2	+2,040.1%
Basic earnings per share (HK cents)	36.6	1.7	+2,052.9%
Diluted earnings per share (HK cents)	36.6	1.7	+2,052.9%
Interim dividend per share (HK cents)	Nil	Nil	
Proposed final dividend per share (HK cents)	5.5	1.0	

Fee income and other income

Breakdown of total net income	2025	2024	HK\$ million
(In HK\$ million)			
Fee income			
Management fees	410.9	397.4	
Performance fees	374.3	12.3	
Front-end fees	136.9	57.1	
Distribution fee expenses			
Management fee rebate	(176.1)	(162.5)	
Performance fee rebate	(0.3)	–	
Front-end fee rebate	(136.9)	(57.0)	
Other income			
Other income	95.6	67.8	
	2025	2024	

The Group reported profit attributable to owners of the Company of HK\$667.7 million for 2025, a substantial increase compared with HK\$31.2 million in 2024.

The strong improvement in profitability was primarily driven by higher total fee income, supported notably by increased AUM and outstanding fund performance with a significant increase in performance fees. Performance fees for the year rose to HK\$374.3 million (2024: HK\$12.3 million), as the Value Partners High-Dividend Stocks Fund¹ exceeded its previous high watermark. Performance fees are recognized when eligible funds, at their respective crystallization dates, deliver returns above their high watermarks for the relevant period.

The Group's AUM increased from US\$5,110 million as at 31 December 2024 to US\$6,153 million as at 31 December 2025, representing a solid year-on-year growth of 20%. Corresponding to this expansion, gross management fees, the Group's principal source of recurring revenue, rose by 3% to HK\$410.9 million (2024: HK\$397.4 million). The increase in management fees was mainly attributable to a 3% year-on-year rise in average AUM, which reached US\$5,472 million in 2025 (2024: US\$5,300 million).

Meanwhile, the management fee rebates for distribution channels increased to HK\$176.1 million (2024: HK\$162.5 million).

Other fee income mainly included front-end fees, of which a substantial amount was rebated to distribution channels (a usual practice in the market).

Other income, which mainly comprised of interest income, dividend income and rental income from an investment property, totaled HK\$95.6 million (2024: HK\$67.8 million).

Other gains or losses

(In HK\$ million)	2025	2024
Net gains on investments		
Net realized gains/(losses) on financial assets at fair value through profit or loss	233.2	(37.7)
Net unrealized gains on financial assets at fair value through profit or loss	137.2	216.9
Net foreign exchange gains/(losses)	28.1	(44.0)
Gain on disposal of a subsidiary	–	1.0
Loss on disposal of property, plant and equipment	(0.1)	(0.5)
Other gains – net	398.4	135.7

Other gains or losses included fair value changes and realized gains or losses on seed capital investments, investments in our own funds and other investments, as well as net foreign exchange gains or losses. Seed capital investments are made by the Group to provide capital that was considered necessary to new funds during the initial phase of fund launches. The Group also invests in its own funds alongside investors, where appropriate, for better alignment of interests and investment returns. The significant increase from prior year was mainly due to the realized and unrealized mark-to-market changes of the Group's proprietary investments, especially over the Value Gold ETF⁶, equity funds, property valuation and foreign exchange gains from our Asian investments.

Investments in joint ventures

In 2017, the Group set up the Value Partners Asia Pacific Real Estate Limited Partnership⁸ (the "Real Estate Partnership") to engage in real estate private equity business. During the year, the Group sold its 50% interest in the remaining three logistic centers in Japan at a consideration of JPY9,390 million (equivalent to HK\$499 million). As at 31 December 2025, the Real Estate Partnership held no (2024: three) logistic center(s) located in Japan, two (2024: two) commercial property projects located in Australia and seven (2024: seven) logistic centers located in Italy through four (2024: four) joint ventures. The Group's share of gains amounted to HK\$96.3 million (2024: a loss of HK\$46.7 million), which was attributable to the rental income less outgoings, fair value changes of the properties and foreign exchange differences for the years ended 31 December 2025 and 2024.

Significant investments

As at 31 December 2025, the Group held 11,453,431 units (after the unit subdivision in November 2025, the total number of units in issue increased by a factor of 5) (31 December 2024: 9,981,524 units) or 7.1% (31 December 2024: 19.9%) in the Value Gold ETF⁶, which is a fund listed on the Stock Exchange of Hong Kong Limited aiming to provide investment results that closely correspond to the performance of the London Bullion Market Association Gold Price. The investments, representing 6.2% (31 December 2024: 13.5%) of the Group's total assets with a fair value of HK\$291.3 million (31 December 2024: HK\$510.7 million) and a cost of HK\$114.5 million (31 December 2024: HK\$327.9 million), are for alignment of investors' interests and investment returns. For the year ended 31 December 2025, the Group recorded a net unrealized investment loss of HK\$5.9 million (31 December 2024: a gain of HK\$62.5 million) and a net realized investment gain of HK\$209.8 million (31 December 2024: HK\$37.4 million) with respect to such investments.

As at 31 December 2025, the Group held 9,435,907 units (31 December 2024: 8,175,907 units) or 93.8% (31 December 2024: 93.6%) in Value Partners Fund Series – Value Partners All China Bond Fund⁷, which is a Hong Kong SFC authorized fund⁹ primarily invests in fixed income securities in China. The investments, representing 5.2% (31 December 2024: 3.9%) of the Group's total assets with a fair value of HK\$244.7 million (31 December 2024: HK\$145.9 million) and a cost of HK\$247.0 million (31 December 2024: HK\$153.6 million), are for alignment of investors' interests and investment returns. For the year ended 31 December 2025, the Group recorded a net unrealized investment gain of HK\$5.5 million (31 December 2024: HK\$2.8 million) with respect to such investments.

Cost management

Breakdown of total expenses	2025	2024	HK\$ million
(In HK\$ million)			
<u>Compensation and benefit expenses</u>			
Salaries, bonus and staff benefits	336.1	225.5	
Staff rebates	5.2	3.0	
Share-based compensation/ (Net reversal of share-based compensation)	5.0	(1.0)	
<u>Other expenses</u>			
Other fixed operating costs	43.6	51.4	
Information processing and communications	46.2	54.6	
Sales and marketing	9.8	5.8	
Depreciation, excluding depreciation of right-of-use assets – properties	9.5	10.2	
Non-recurring expenses	13.7	12.0	
			2025 2024

Compensation and benefit expenses

During the year, salaries, bonus and staff benefits increased by HK\$110.6 million to HK\$336.1 million (2024: HK\$225.5 million) due to the increase in the discretionary bonus expenses, partly offset by a reduction in fixed salary costs.

As part of its compensation policy, the Group normally distributes 20% to 23% of its annual realized net profit pool as a bonus to employees. The realized profit pool is calculated by deducting certain adjustments from net result before bonus and taxation. This discretionary bonus is maintained to promote staff loyalty and performance while aligning employee and shareholder interests. There is also a deferral bonus plan (the “Plan”) for employees and a portion of the bonus awarded to certain employees of the Group will be under a deferral arrangement according to the Plan.

The staff of Value Partners is entitled to partial rebates of management fees and performance fees when investing in funds managed by the Group. Staff rebates for the year amounted to HK\$5.2 million (2024: HK\$3.0 million).

During the year, the Group recorded a share-based compensation of HK\$5.0 million (2024: a reversal of share-based compensation of HK\$1.0 million), which were related to stock options granted to employees. This item had no impact on cash flows and was recognized in accordance with Hong Kong Financial Reporting Standards.

Other expenses

Other non-staff operating costs – such as rent, information processing and communications, legal and professional fees, investment research fees, and other administrative and office expenses – amounted to HK\$89.8 million for the year (2024: HK\$106.0 million), while sales and marketing expenses increased to HK\$9.8 million (2024: HK\$5.8 million). Non-recurring expenses mainly represented one-off expenditures or reimbursement of fund expenses and donations.

The Group will continue to adopt a prudent approach to cost management, supported by ongoing resource realignment and disciplined cost control measures to navigate potential market headwinds. At the same time, the Group remains committed to investing in AI-driven applications and other key strategic growth areas to enhance operational efficiency, strengthen our competitive position, and support sustainable long-term development.

Dividends

The Group has been adopting a consistent dividend distribution policy that takes into account the relatively volatile nature of asset management income streams. This policy states that dividends (if any) will be declared annually at the end of each financial year to better align dividend payments with the Group’s full-year performance and its financial position.

For 2025, the Board of Directors recommended a final dividend of 5.5 HK cents per share to shareholders.

Liquidity and financial resources

Fee income is the Group's main source of income, while other income sources include interest income generated from bank deposits, interest, dividend and rental income from investments held. At the end of 2025, the Group's balance sheet and cash positions remained strong, with a cash and cash equivalents balance of HK\$1,557.9 million (2024: HK\$1,077.4 million). Other than relevant borrowings pledged with property asset by the Real Estate Partnership of HK\$65.9 million (31 December 2024: HK\$65.9 million), the Group had no other corporate bank borrowings and did not pledge any other assets as collateral for overdrafts or other loan facilities. The Group's debt-to-equity ratio, measured by interest bearing external borrowings (excluding borrowings as mentioned above) divided by shareholders' equity, was zero, while its current ratio (current assets divided by current liabilities) was 5.8 times (2024: 6.3 times).

Capital structure

As at 31 December 2025, the Group's shareholders' equity and total number of shares issued were HK\$4,235.0 million and 1.83 billion, respectively.

1. Annual calendar returns of Value Partners High-Dividend Stocks Fund (Class A1) over the past five years: 2021: +3.5%; 2022: -18.9%; 2023: +4.1%; 2024: +11.4%; 2025: +29.9%; 2026 (Year to date as at 28 February): +12.8%.
2. Annual calendar returns of Value Partners Classic Fund (A Units) over the past five years: 2021: -6.6%; 2022: -28.1%; 2023: -5.0%; 2024: +11.8%; 2025: +37.6%; 2026 (Year to date as at 28 February): +5.5%.
3. Annual calendar returns of Value Partners Greater China High Yield Income Fund (Class P USD Acc) over the past five years: 2021: -22.5%; 2022: -30.2%; 2023: +4.3%; 2024: +15.3%; 2025: +10.2%; 2026 (Year to date as at 28 February): +3.7%.
4. Annual calendar returns of Value Partners Asian Income Fund (Class A USD Unhedged Acc) over the past five years: 2021: +3.3%; 2022: -17.8%; 2023: +7.6%; 2024: +11.0%; 2025: +29.0%; 2026 (Year to date as at 28 February): +12.1%.
5. Source: Morningstar, for year-to-date performance as of 31 December 2025.
6. Annual calendar returns of Value Gold ETF over the past five years: 2021: -3.6%; 2022: -0.8%; 2023: +13.5%; 2024: +25.3%; 2025: +64.7%; 2026 (Year to date as at 28 February): +20.6%.
7. Annual calendar returns of Value Partners All China Bond Fund (Class A USD Unhedged Acc) over the past five years: 2021: +0.4%; 2022: -5.7%; 2023: +3.6%; 2024: +10.0%; 2025: +7.3%; 2026 (Year to date as at 28 February): +1.7%.
8. Value Partners Asia Pacific Real Estate Limited Partnership is not authorized by SFC and is not available to the general public in Hong Kong.
9. SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Source for performance figures: HSBC Institutional Trust Services (Asia) Limited and Bloomberg. Past performance is not indicative of future performance. Performance is calculated in USD or HKD, NAV to NAV, with dividend reinvested and net of fees.

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The figures in respect of the Group's consolidated statement of comprehensive income, consolidated balance sheet 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, PricewaterhouseCoopers Hong Kong ("PwC"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PwC 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 as issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC on the preliminary announcement.

HUMAN RESOURCES

As at 31 December 2025, the Group employed 106 staff (2024: 121) in Hong Kong SAR, 19 staff (2024: 20) in Shanghai, 4 staff (2024: 5) in Shenzhen, 4 staff (2024: 5) in Singapore and no staff (2024: 2) in London. Remuneration packages that take into account of business performance, market practices and competitive market conditions are offered to employees in compensation for their contributions. In line with the Group's emphasis on recognition for performance and human capital retention, the Group rewards its employees with year-end discretionary bonus which is linked to the Group's level of profits for that financial year.

DIVIDENDS

No interim dividend was paid during the year. The Board is pleased to recommend the distribution of a final dividend of 5.5 HK cents per share for the year ended 31 December 2025. Subject to the approval of shareholders of the Company at the Annual General Meeting ("AGM") for the year 2026, the final dividend will be payable on or about 10 June 2026 to shareholders whose names appear on the Registers of Members of the Company at close of business on 20 May 2026. Dividend per share is declared based on the Group's realized profit which excluded the unrealized gains and losses recognized or the Group's financial position as of year end, where appropriate. The Board will continue to review the Group's financial position and capital needs every year in deciding its dividend recommendation going forward.

ANNUAL GENERAL MEETING

It is proposed that the AGM will be held on Tuesday, 12 May 2026. Notice of the Annual General Meeting will be published and issued to shareholders in due course.

CLOSURE OF REGISTER OF MEMBERS

1. AGM

For determining the entitlement to attend and vote at the AGM, the record date will be Tuesday, 12 May 2026 and the Register of Members of the Company will be closed from Thursday, 7 May 2026 to Tuesday, 12 May 2026 (both days inclusive), during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 6 May 2026.

2. Proposed Final Dividend

The proposed final dividend is subject to the passing of an ordinary resolution by shareholders at the AGM. The record date for entitlement to the proposed final dividend is Wednesday, 20 May 2026. For determining the entitlement to the proposed final dividend, the Register of Members of the Company will be closed from Monday, 18 May 2026 to Wednesday, 20 May 2026, both days inclusive, during which period no transfer of shares will be effected. The ex-dividend date will be Thursday, 14 May 2026. In order to qualify for the proposed final dividend mentioned above, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at the above mentioned address not later than 4:30 p.m. on Friday, 15 May 2026.

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the year.

The Board may exercise its powers to buy back the shares in the open market under the general mandate to buy back shares when the trading price of the shares does not reflect their intrinsic value.

AUDIT COMMITTEE

In compliance with the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited, the Company has an audit committee which comprises three Independent Non-executive Directors. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including a review of the consolidated results of the Group for the year ended 31 December 2025.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance. The Board considers that the Company has complied with the code provisions of the Corporate Governance Code for the year ended 31 December 2025. Under the Company's organizational structure, the functions of chief executive are performed by the Leadership Committee. Having regard to the nature of the Group's business and the collective decision-making process involving the Board and senior management, the Board considers that the Leadership Committee structure provides an appropriate balance of power and authority and is consistent with principle C.2 of the Corporate Governance Code.

Since 17 May 2025, the members of the Leadership Committee have been Ms. LIN Xianghong, Mr. CHING Wing Tat, Vincent and Ms. NG Chuk Fa, Nikita.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as contained in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions.

The Company has made specific enquiry with all Directors and all of them confirmed that they have complied with the required standard set out in the Model Code for the year ended 31 December 2025.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT ON THE STOCK EXCHANGE

The final results announcement is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.valuepartners-group.com>). The annual report will be despatched to shareholders and will be available on the websites of the Stock Exchange and the Company in due course.

OUR APPRECIATION

Finally, we would like to express our gratitude to shareholders, business partners, distributors and customers for their unfaltering support. We would also like to thank our dedicated staff for their contributions to the success of the Group.

By order of the board of
Value Partners Group Limited
LIN Xianghong
Chairman and Executive Director

Hong Kong, 17 March 2026

As of the date of this Announcement, our Directors are Ms. Lin Xianghong, Mr. Ouyang Xi and Ms. Ng Chuk Fa, Nikita as Executive Directors; Dato’ Seri Cheah Cheng Hye as Non-Executive Director; and Dr. Chen Shih Ta Michael, Mr. Wong Poh Weng and Mr. Lee Wai Wang Robert as Independent Non-executive Directors.