

True Partner
Capital Holding

Annual Report 2024

True Partner Capital Holding Limited

Incorporated under the laws of the Cayman Islands with limited liability

Stock code: 8657



RIJKSMUSEUM



The Rijksmuseum – a world-renowned treasure of Dutch art

True Partner Capital honors the great Dutch history in painting, delivering beauty and art globally.

Each year, over 2.5 million visitors explore one of the largest collections of Dutch Masters in Amsterdam, while many more experience the museum's extensive digitized collection online.

In this Annual Report, we invite you to enjoy select masterpieces from the Rijksmuseum.



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the directors (the “**Directors**” or individually a “**Director**”) of True Partner Capital Holding Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

Corporate Overview

Established in 2010, by a team of former market makers, True Partner Capital Holding is a specialised hedge fund manager

Focused on volatility trading in liquid markets, principally in equity index futures, options and ETFs

Diversified **global investor base** across our products

Stable and experienced management: key personnel have worked together for almost a decade

Specialised segment of asset management with **a history of growth**

3-T Model – Combination of **advanced technology** with **experienced team** covering **specialised trading strategies**

Global coverage to enable **trading around the clock**, with offices in Asia, the US and Europe

The Company benefits from **proprietary technology** that shapes its trading approach and includes a range of modules and tools

Potential **growth opportunities** in adjacent market segments leveraging **scalable investment platform**

Contents

Corporate Information	7
Results	8
Chairman’s Letter	17
Management Discussion and Analysis	24
Financial Review	54
Biographical Details of Directors and Senior management	59
Corporate Governance Report	67
Director’s Report	85
Environmental, Social and Governance report	99
Independent auditor’s report	135
Consolidated Statement of Profit or Loss and Other Comprehensive Income	140
Consolidated Statement of Financial Position	141
Consolidated Statement of Changes in Equity	143
Consolidated Statement of Cash Flows	144
Notes to the Consolidated Financial Statements	146
Financial Summary	197

Corporate information

Board of Directors

Executive Directors

Ralph Paul Johan van Put
(Chairman and Chief Executive Officer)
 Godefriedus Jelte Heijboer
 Tobias Benjamin Hekster
 Roy van Bakel

Independent Non-executive Directors

Jeronimus Mattheus Tielman
 Wan Ting Pai
 Ming Tak Ngai

Audit committee

Wan Ting Pai *(Chairwoman)*
 Jeronimus Mattheus Tielman
 Ming Tak Ngai

Remuneration committee

Wan Ting Pai *(Chairwoman)*
 Ralph Paul Johan van Put
 Godefriedus Jelte Heijboer
 Jeronimus Mattheus Tielman
 Ming Tak Ngai

Nomination committee

Wan Ting Pai *(Chairwoman)*
 Ralph Paul Johan van Put
 Godefriedus Jelte Heijboer
 Jeronimus Mattheus Tielman
 Ming Tak Ngai

Company secretary

Siow Grace Yuet Chew
 ACG, HKACG

Authorised representatives

Ralph Paul Johan van Put
 Godefriedus Jelte Heijboer

Registered office in the Cayman Islands

P.O. Box 31119 Grand Pavilion
 Hibiscus Way
 802 West Bay Road
 Grand Cayman KY1-1205
 Cayman Islands

Head office and principal place of business in Hong Kong

Suite A123, 16/F, Tower 5
 The Gateway
 Harbour City
 Kowloon
 Hong Kong

Cayman Islands principal share registrar and transfer office

Appleby Global Services (Cayman)
 Limited
 71 Fort Street
 PO Box 500
 George Town
 Grand Cayman KY1-1106
 Cayman Islands

Hong Kong branch share registrar and transfer office

Tricor Investor Services Limited
 17/F, Far East Finance Centre
 16 Harcourt Road
 Hong Kong

Legal advisers

As to Hong Kong law:
 Kwok Yih & Chan

As to Cayman Islands law:
 Appleby

As to US law:
 Thompson Coburn LLP

Auditor

PKF Hong Kong Limited
 Certified Public Accountants
 26/F, Citicorp Centre
 18 Whitfield Road
 Causeway Bay, Hong Kong

Principal banker

DBS Bank (Hong Kong) Limited

Stock code

8657

Company website

www.truepartnercapital.com
 (contents of this website do not
 form part of this report)

RESULTS

Annual Report 2024

The board of directors of the Company (the “**Board**”) is pleased to announce the audited annual results of the Company and its subsidiaries (together as the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Period**”) together with the comparative figures of the corresponding period in 2023 as set out below:

Financial Highlights

	2024 (HK\$'000)	2023 (HK\$'000)	% Change
Total Revenue	9,569	13,289	-28%
Revenue from fund management business	5,752	12,398	-54%
Revenue from consultancy services	1,944	873	123%
Net trading gain	1,873	18	10306%
Gross profit	8,594	11,687	-26%
Operating loss ^{Note 1}	(47,962)	(65,429)	-27%
Loss for the year	(48,506)	(67,001)	-28%
Loss attributable to owners of the Company	(48,506)	(67,001)	-28%
Total comprehensive loss	(49,475)	(66,510)	-26%
Loss per share (HK cents) – Basic and diluted ^{Note 2}	(12.13)	(16.75)	-28%

Notes:

- Operating loss represents loss before income tax adding back net gain on financial assets at fair value through profit or loss, finance costs and share of results of associates.
- The calculation of the basic loss per share amount is based on the loss for the year attributable to owners of the Company of HK\$48,506,000 (2023: HK\$67,001,000), and the weighted average

number of ordinary shares of 400,000,000 shares in issue during the year. Diluted loss per share for the years ended 31 December 2024 and 2023 is the same as basic loss per share as there were no potential ordinary shares in issue as at 31 December 2024 and 2023.

Selected Business and Financial Highlights

- The full year 2024 (the “**Reporting Period**”) saw a rally in global equity markets, continuing the strong gains seen in 2023, despite the priced in expectations of monetary policy easing being disappointed. Relevant measures of equity index implied volatility were mixed over the Reporting Period, while realized volatility was generally subdued and below long-term average levels.
- The MSCI World Total Return Hedged to US Dollars (“**MSCI World**”) had a gain of +21.2% over the Reporting Period. The MSCI World experienced gains in all four quarters of the year, with the strongest gains in Q1 2024 (+10.2%) and smaller rises in Q2 (+3.2%), Q3 (+4.9%) and Q4 (+2.1%). The Bloomberg Global Government Bond Index Hedged to US Dollars (“**Global Bond Index**”) was up +3.6% over the Reporting Period.
- Popular measures of at-the-money implied volatility were modestly higher over the Reporting Period. These measures provide a snapshot of implied volatility at different points in time but are not directly tradable. The VIX index rose from 12.5 to 17.4. A similar measure for the Euro Stoxx 50, the VSTOXX, rose from 13.6 to 17.0, while the equivalent measures in the Japanese Nikkei went from 17.5 to 21.8 and in the Korean Kospi 200 index from 17.8 to 21.1 respectively.¹



1. The metrics referenced are the Nikkei Stock Average Volatility Index and the Kospi 200 Volatility Index

2. Sources: Bloomberg, True Partner

- Of the various volatility indices noted above, the VIX has the most liquid derivatives market, via VIX futures and options. The ProShares VIX Short-Term Futures ETF (“**VIX ETF**”), which systematically buys and rolls short-term VIX futures, can be seen as a proxy for the performance of continuously holding a long position in short-term VIX futures and we believe is a more informative proxy for the behaviour of volatility than the VIX index (because, as mentioned above, the VIX index is not itself directly tradable). Despite the modest rises in the volatility indices, the VIX ETF was down by -27.4% over the Reporting Period.²
- With regards to measures of realized volatility – the actual day to day volatility of equity indices – a differential was visible between the first six months and the last six months of the Reporting Period. The first half year saw a continuation of last year’s environment with relatively muted day to day movement. Annualized volatility in the MSCI world was 8.5% over this period and annualized volatility in the S&P 500 was 10.5%, a little over half their long-term averages. However, the second half year did see movement pick up, as annualized volatility in the MSCI world was 12.5% over this latter period and annualized volatility in the S&P 500 was 14.3%, but remaining below long-term averages. Most Asian markets saw higher volatility, more in line with long-run averages, which helped to provide opportunities.
- The backdrop over the Reporting Period would generally be expected to create a relatively challenging environment for our index volatility trading, particularly in the first half year. The Group’s trading strategies are predominantly relative value in nature, but historically have seen their best performance in periods of falling equity markets and rising volatility. However, our relative value volatility strategy was able to preserve capital over the first half year delivering a small positive return of +0.5%.³ Our relative value volatility strategy posted its best return of the first half year in April 2024. During that month, which was the worst month for the MSCI World over the entire Reporting Period, our relative value strategy was up +1.4% compared to a return of -3.2% for the MSCI World.
- During the second half of 2024, our relative value volatility strategy performed well with a positive return of +5.5%, driven by gains of +6.2% during the third quarter. While no major volatility dislocations occurred, the strategy was able to benefit from smaller volatility events in Asia and the US (e.g. in Korea when markets fell, in Hong Kong when markets rose, various trading opportunities in Japan’s Nikkei and during the very brief VIX moves in early August in the US). One notable feature over the Reporting Period as a whole is that while the

3. This material is not in any way intended to solicit investment in our fund products or managed accounts. Our fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance. Returns are based on Class B shares and are shown net of fees and expenses.

Results

strategy provided diversification benefits in months in which global markets declined, the strategy was also able to capture periods of upside volatility. This was a partial driver of the strategy's +3.0% gain in September, which was the best month of the Reporting Period.

- As we have highlighted in both positive and negative periods of performance, investment performance in any given short time period can fluctuate around the long-term average based on the prevailing market opportunities. Investors in the Group's products typically focus on long-term investment performance as a key metric as they are generally seeking to invest with a longer-term horizon. When considering the whole period from its inception in July 2011 through 31 December 2024, the True Partner Fund, the Group's longest running fund product, has delivered a higher return and alpha than the Eureka hedge Asset Weighted Hedge Fund Index, a broad index of hedge fund performance, despite that broad index having a positive beta to equities (which was beneficial to its performance over the period) and the True Partner Fund having a negative beta to equities. The True Partner Fund has also delivered a higher alpha, an important measure of risk-adjusted return, than each of the Eureka hedge Relative Value Volatility, Eureka hedge Long Volatility and Eureka hedge Short Volatility hedge fund indices.⁴
- While investors generally have a long-term focus, we are pleased to note that the True Partner Fund outperformed most funds we consider to be peers in 2024⁵, and also outperformed each of the Eureka hedge Relative Value Volatility hedge fund index, the Eureka hedge Long Volatility hedge fund index, Eureka hedge Short Volatility hedge fund index and the Eureka hedge Relative Tail Risk hedge fund index.
- The Group's assets under management were lower relative to 31 December 2023 but similar to the level as of 30 June 2024, showing stability after a challenging period of net asset flows. Assets under management were US\$501 million as of 31 December 2024, as compared to US\$512 million as of 30 June 2024 and US\$885 million as of 31 December 2023.
- The decrease in assets under management over 2024 was almost wholly driven by changes during the first half of 2024. As noted in the Company's interim report for the six months ended 30 June 2024 (the "Interim Report"), the changes during the first half of 2024 were primarily driven by the investment portfolio adjustments of some investors. This included the closure of the IAM True Partner Volatility UCITS Fund, as discussed in the Company's Interim Report. In the second half of 2024, following redemptions by a large investor group the long-biased volatility

4. The Group considers these indices to be relevant benchmarks of peer performance as they are comprised of hedge funds trading different types of volatility strategies.



fund was discontinued. Based on our discussions with the relevant investors, we understand that the large majority of the change in assets under management over the Reporting Period occurred for idiosyncratic, client-specific reasons and did not reflect a change in conviction in our investment approach.

- During the second half of 2024 the Group also launched a new product with an institutional investor. The product is currently in managed account format, but the Company is considering launching a commingled fund version. The product pursues an investment strategy that takes advantage of the skills and experience of the investment team as well as the proprietary quantitative tools developed by the Company. The product is highly diversifying to the Company's relative value strategy. The Directors were pleased to note that the product development process was also significantly aided by the tools into which the Company has invested since the IPO. The Company is in the process of identifying potential additional investors for the product.
- Revenues for 2024 were HK\$9.6 million. This compares to revenues of HK\$13.3 million for the year of 2023. The decrease in revenue was primarily due to the decrease in assets under management and shifts in product mix over the period. These factors had the result of lowering the average assets under management and the average

5. The peer group reference is for illustrative purposes only and peers referenced are likely to have material differences to the approach of the True Partner Fund. No representations are made regarding any peer strategy. The peer group referenced is selected based on available public information about other funds who also publish their performance on Bloomberg and is expected to change over time as peer strategies evolve and due to changes in data availability.



Cows in the Meadow, Gerard Bilders, 1860 - 1865

management fee charged on the Group's assets under management for 2024 as compared to 2023.

- As discussed above, the market environment for the Group's investment approach was also challenging. This helped result in lower performance fee income than the Group's long-term objectives. The combination of all these factors led to a decrease in the average level of assets under management, the average revenue per unit of assets under management and overall revenues for 2024 as compared to 2023. As noted above, the period since the Company's Interim Report has seen more stability in assets under management.
- General and administrative expenses were HK\$57.9 million in the year of 2024, as compared to HK\$78.3 million in the year of 2023. The decrease was mainly in staff cost, professional and administrative expenses as the Group proactively reviewed its operations and made adjustments where it was able to identify redundancies and opportunities for efficiency gains. Given the cyclical nature of the opportunity set for the Group's investment approach, the Group is focused on ensuring the business remains robust, efficient and focused on the Company's plans as outlined in the prospectus for the Company dated 30 September 2020 (the "**Prospectus**"), able to endure the current

challenging part of the cycle and ready to take advantage of a potential turn in the cycle that would result in more favourable conditions.

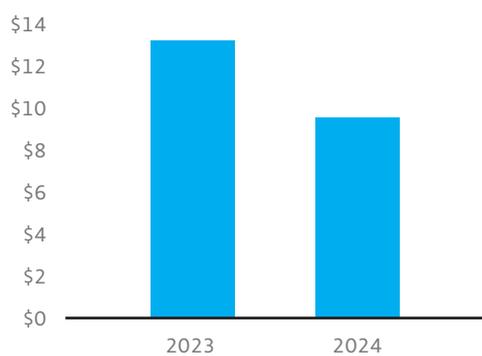
- The Group has reduced its headcount by 36% and implemented a cost reduction plan in its general and administrative expenses. While expenses are subject to uncertainty and the influence of a range of factors, the Group expects to see some additional benefit from these adjustments over the following twelve months. As part of the Group's cost reducing plan, the Group is also investigating the opportunity of restructuring the Group's entities in order to further enhance operational efficiency. As a result, the progress for the use of proceeds outlined in the Prospectus remains relevant but the Group has opted to extend the expected timeline for utilising the remaining unused net proceeds to 31 December 2025. These adjustments do not alter the Company's plans as outlined in the Prospectus.
- The Group's loss before income tax was a loss of HK\$48.4 million in the Reporting Period, as compared to a loss of HK\$65.5 million in the year of 2023. Loss attributable to owners of the Company was HK\$48.5 million in the year of 2024 (after tax), as compared to a loss attributable to owners of the Company of HK\$67.0 million in the year of 2023.

Results

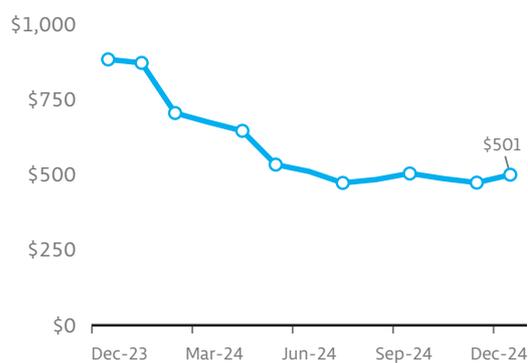
Selected financial highlights

(in HK\$ millions as of 31 December 2024 unless stated, where noted comparison is to 31 December 2023)

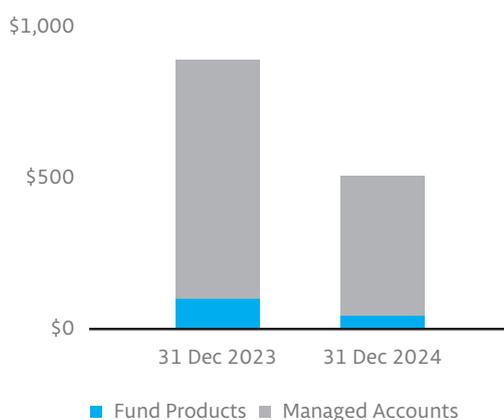
Revenues



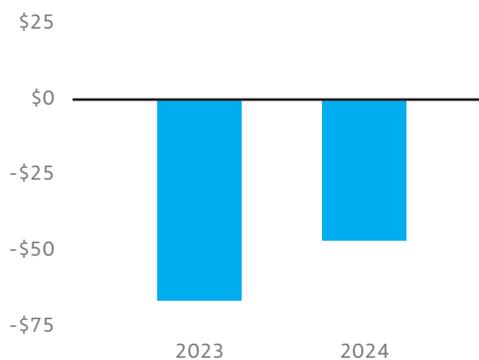
Assets under management ("AUM") (US\$ millions) ⁶



Breakdown of AUM by Product Type (\$US millions)⁴



Loss attributable to owners of the Company



6. The Group manages or advises on both fund products and other investment mandates. For the purposes of this report, fund products launched by the Group or co-branded with the Group where a subsidiary of the Group is the investment manager or sub-investment manager are grouped under "fund vehicles"; other mandates are grouped under "managed accounts". The Group's managed accounts may deploy the Group's relative value trading strategy and/or other trading strategies. As of 30 June 2024, the Group's relative value trading strategy is deployed across both fund products and managed accounts.

Chairman's Letter

Introduction

Last year, I started the Chairman's Letter with a reflection on the state of global affairs, marred by major wars and conflicts. Unfortunately, 2024 did not bring any resolution. Conflicts continue to rage, with the war in Ukraine far from over and civil wars flaring up, among others in Sudan and Congo. The situation in Gaza remains dismal, with widespread devastation and large loss of life. Millions of Palestinians are displaced, with particularly women and children suffering, while many Israeli hostages remain captive.

While there looks to be a chance that this conflict may finally end, the remarks of the newly elected US President about 'relocation', swiftly rejected by several key countries in the Middle East, seem unlikely to bring a lasting peace. Overall, it seems that the geopolitical tensions will likely rise in the coming period including a trade war between the US and her allies. Will the US tariffs and isolationism in general be the nail in the coffin of globalization?

Our hearts continue to go out to the ones suffering under war and government oppression. True freedom remains something that we should treasure and try to seek in all we do.

Equity markets have been pushed to new all-time highs over the year, driven by a rush into technology stocks amid eye-popping valuations for all things related to artificial intelligence. On a total return basis, the S&P 500 gained 25% or more for two consecutive years, a rare feat which was last seen in the years preceding the dot-com bust at the end of the last century. This time around, the market breadth is worryingly narrow. The so-called Magnificent Seven were the main driver in gains for the index and represent no less than 30% of the entire market capitalization of the S&P 500. Compelling as the AI story may be, investors are pricing the US technology stocks

as if they would be the winners of this field and as a result would be able to command near monopolistic margins. The bombshell announcement that China's DeepSeek AI engine was able to achieve similar functionality at a fraction of the cost looked to throw cold water on this thesis, although the sell-off was remarkably brief as retail investors rushed in to buy the dip. We strongly believe that this episode exposes the risks associated with the current demanding valuations and any subsequent developments may well trigger a sharp correction in the value of AI stocks, dragging the rest of the market along with it.



Portrait of a Woman, Probably Maria Trip (1619-1683), Rembrandt van Rijn, 1639

China's long-term focus on the fields of EVs, batteries, AI and other new technologies seems to be paying off as it is gaining momentum throughout. We would thus not be surprised if we see more 'DeepSeek' moments in these various fields, potentially disrupting established Western market participants. German car makers are already feeling the heat as their market share in China plummets in the face of increasingly strong competition and buy-China sentiment. China also looks more confident vis-à-vis the United States as reflected in its response to the US tariffs. Instead of fearing a trade-war, China sees this as an opportunity to strengthen ties with Europe, South America, Africa, the Middle East and Asia.

The volatility surrounding US policies stands in contrast to China's more long-term approach. For some countries, this may make partnering with China and participating in the Belt and Road initiative a compelling alternative to betting on the US, where policy instability seems likely to persist and personal alignments seem to be of increasing importance.

From an economic point of view, markets may well have prematurely declared victory over inflation. Deglobalization continues with the threat of US tariffs upending the recent trend of 'nearshoring'. Logistics remain challenged as the instability in the Horn of Africa forces shipping to detour past Cape Good Hope while the Panama Canal continues to face weight restrictions triggered by persistent droughts (as well as a possible US take-over).

If inflation is not fully under control, the discussion on interest rate shifts from potential interest rate cuts on the horizon to whether rate hikes might be needed to contain inflation. With potentially inflationary policies on the horizon, particularly those envisioned by the Trump administration such as unfunded tax cuts for the rich and deportation of migrant workers, a higher interest rate environment appears a real possibility. The change



Rembrandt as a Shepherd with a Staff and Flute, Govert Flinck, circa 1636

in interest rate expectations over the past months underscores this development, which would logically affect equity markets in the long run.

Market

The strong rise of equity markets did somewhat mask the fragilities 'under the hood'. While 2023 ended in optimism expecting quick and sizable rate cuts by the US Federal Reserve, the market backdrop over 2024 saw this enthusiasm being tempered. Ultimately, three rate cuts occurred over 2024 while the expectation for further cuts in 2025 and 2026 notably tempered. Over

the year, the narrative of higher rates for longer caused some brief hiccups in equity markets, notably in April and with this re-emerging as a concern towards the end of the year.

Following the strong compression of implied volatility in 2023, when the VIX fell from 21.7 to 12.5, 2024 was a less malign environment. The VIX index, which is not directly tradable, rose from 12.5 to 17.4 over the year, but this should also be seen in the context of forward pricing: an actual long position in VIX futures as proxied by the VIX short-term futures ETF would have lost -27.4% over 2024. One important driver of the improvement in the environment was the increase of day-to-day movement, which placed a floor under volatility levels. But notably, implied volatilities across several markets continue to trade well below their long-term averages and not far from all-time lows.

Overall, markets were more fragile allowing for more reactivity in volatility during the brief periods of market turmoil. The brief spike in the VIX index in August was the most notable reflection of market fragility. With growth worries depressing Asian indices, some US traders started to repurchase short-volatility positions in pre-market trading. But the market makers and other liquidity providers mostly 'faded'. Instead of providing liquidity, they appeared to raise their prices and widen their quotes. As a result of this development, the VIX index briefly surged higher but the tradeable VIX futures contract saw a much less significant jump. As US equity markets opened with only modest losses, the VIX quickly reverted lower but we believe that the relatively benign opening allowed the markets to dodge a proverbial bullet. Would the opening have been more in line with what we saw in Asian markets, a broader unwind of short-volatility positions would have triggered a true volatility explosion and market turmoil.

We have seen more instances since in which markets

initially react stung by an adverse development, only to regain their footing shortly thereafter. With implied volatility at the current relatively low levels, we believe a strong upward repricing of implied volatilities may well be in the cards.

Business development

From a business development perspective, the team continually improves the volatility strategies underlying our Funds and mandates. Among others, the strategy improvements have allowed our relative value volatility strategy to weather the low-volatility environment in 2024 better than most peers. Our flagship True Partner Fund outperformed each of the four Eureka hedge volatility hedge fund indices (relative value, long volatility, short volatility and tail risk). The True Partner Fund was positive overall during both the up and down months for equities in 2024 but made most of its gains in negative periods for equities, as has been typical over the long run, again demonstrating its ability to generate alpha in way that is particularly valuable to investor portfolios.

During 2024 the team has been actively engaged with investors and prospects through webinars and on a one-on-one basis. The Group also continued to engage with investors and prospects via newsletters and articles. These publications continue to help drive engagement with existing and potential investors and our outlook was recently cited in Bloomberg as part of a piece noting the success of Asian hedge funds.

Alongside our engagement via digital means, the team has continued to be active in meeting investors and prospects in person and in international travel to meet investors where commercially beneficial and in keeping with our environmental and social governance responsibilities. Senior personnel have participated in panel discussions at industry events across the world. Our participation in events is primarily targeted at

events where the participants are focused on investing in volatility strategies.

Events Group personnel have featured in have included the Global Volatility Summit Tokyo, the Volatility Investing event (in London), the Global Volatility Summit New York, a CBOE / FTSE Russell workshop (in London), the Northern Trust Market Mingle (in Amsterdam) and the Asia EQD conference (in Singapore). These events have provided an opportunity to share our perspectives on markets, meet with investors and prospects and to build our brand, amidst targeted audiences of industry professionals. They have also provided additional brand exposure through platforms such as LinkedIn, with event hosts such as CBOE sharing content mentioning our participation, as well as providing opportunities for the Group to share its own content referencing such events.

The Northern Trust MarketMingle event was centred around the thought leadership work we have done together with Northern Trust on risks in the Dutch pension transition, an area where we see potential opportunities to work with pension funds. Northern Trust is one of the world's largest financial institutions and has over USD1.6 trillion in assets under management as of 31 December 2024.

We have also seen our investments in customer relationship management software bear more fruit. Use of this tool over time has enabled us to start to make more extensive use of the proprietary data it generates.

During 2024 we have also been actively engaged with potential investors in new products developed by the Group. The Group has invested in additional quantitative tools since its IPO and has used these together with existing tools to aid the development of additional strategies. Further to these efforts, in 2H 2024 the Group

launched a new volatility investment strategy through a managed account with a large institutional investor. This strategy offers a diversifying return and revenue stream to our relative value strategy and we expect the strategy to see further growth in assets under management in 2025.

In 2025 we intend to focus on business development opportunities across multiple potential channels. We continue to engage with existing and prospective investors for our existing offering, notably our relative value strategy, and potential prospects for our customized tail risk solutions. We also continue to work independently and with Northern Trust to seek opportunities with Dutch pension funds.

Over the last several years our research has also enabled us to develop additional investment strategies. This diversifies our product set and therefore broadens our potential investor base and the potential 'wallet share' with existing investors. In addition to the new strategy noted above, we are currently in discussions with an institutional investor regarding a new offshore China-focused equity derivatives strategy and with a second institutional investor regarding a new onshore China-focused multi-asset derivatives strategy.

Technology Developments

In line with the prospectus our IT team completed in 2024 the enhancement of our data centers including the replacement of our servers and an increase in our storage capabilities through a new centralized storage area network. This gives our Group an improvement in the management and monitoring of our storage environments, and enables us to better assess storage growth and needs, and scale our storage environment based on the growth of our business, as well as greatly improved storage performance with faster access. Furthermore we completed the modernizing of our

network equipment, including the installation of next generation firewalls for improved protection against threats and support for and integration of virus and malware threat detection. This is particularly important as cybersecurity has become a key matter that investors and asset allocators focus on in their operational due diligence and it is believed that such trend will likely continue in the near future. Finally we optimized our global data center presence and connectivity to become more cost-efficient while still keeping our requirements for redundancy and stability intact. Our development team has remained focused on maintaining and incrementally improving the key elements of our core proprietary systems, including our front-end applications and our back-testing environment.

Our technology allows us to easily scale our trading strategies and run multiple mandates simultaneously on our platform, enabling us to offer customized portfolios to multiple institutions in an efficient manner. The sophisticated execution logic, combined with our risk management systems, enable us to continually monitor, analyse and rapidly adapt to constantly changing markets.

Our global presence with offices in Hong Kong, Singapore, Amsterdam, London, and Chicago allows us to trade 23 hours a day and actively manage our investment strategies for our clients. And through this global footprint we can liaise with international institutional clients across the globe as we deliver investment solutions further to their objectives and requirements.

Our track record of providing positive, diversifying investment returns over the past decade, as represented by our flagship True Partner Fund, demonstrates our abilities. It also forms a potential building block for targeted protective strategies that are customized to investors' individual requirements, working in tandem with other tailored components we have developed. But what our track record and experience also reflect is the adaptiveness that characterizes our firm. Since our days as market makers, the one constant among an ever-changing market has been adapting to these changes.

Our Sales efforts, strengthened by the Company's continued investments allow us to efficiently engage with investors and prospects



Ships at Anchor on the Coast, Willem van de Velde (II), circa 1660

Rijksmuseum, Amsterdam
Credits: On loan from the City of Amsterdam (A. van der Hoop Bequest)

for our funds and tailored investment solutions. Not only by sharing our insights and knowledge at industry events such as the Global Volatility Summit or at attending investment forums through our prime brokers, but also through well-attended quarterly webinars and targeted publications in industry magazines. The marketing efforts are powered by our Client Relation Management ('CRM') system containing over 1000 investors and prospects, which leverages both proprietary tools and industry-leading systems such as FolioMetrics allowing us to target, track and engage with these investors and prospects. As education is an important part of the sales cycle, we continuously try and attract investor's awareness of our specialism in the engineering of investment solutions and highlight the capabilities to deploy our expertise for their investment needs.

And finally, **our commitment** to utilize these tools and experience to provide competitive offerings. As referenced above, we believe that there is an attractive opportunity ahead for managers who can truly add value to clients. With our scalable and efficient global platform, we believe we can offer investors a true partnership, where objectives and interests are aligned, and fees are fair. Our company name is no coincidence, but the mantra under which we have thrived for over a decade and counting.

Over the past decade, we laid the foundations for our global, multi strategy hedge fund platform and 2024 was no exception to this continuous development. We will continue to expand our presence.

Ralph Paul Johan van Put
Chairman and Chief Executive Officer
Hong Kong, 28 March 2025

Capturing the growth and opportunities which we envisioned in our listing remains our focus. Besides the growth in our customized offerings, the expanded infrastructure both in terms of technology and locations, we have progressed with our onshore China exposure and expect to launch our first derivatives fund offering later this year. As always, the team strives to explore all avenue to create potential value for our shareholders. As such, the Company may from time to time engage in discussions for potential business transactions involving other companies. Should any such discussion progress to a more material stage, we will of course update all our shareholders by means of a general market notice.

All in all, 2024 has been a year with many faces. A year in which the challenging strong market environment challenged our fund and mandates' performance, which is reflected in the lower revenue generated from performance fees. And a year in which we have continued to invest in order to capitalize on the opportunities we see ahead. As such, the Board has recommended the payment of no dividend for the year ended 31 December 2024.

My fellow Board members and I thank our fund management clients and our shareholders for their support and trust in our firm. We and the full True Partner team look forward to continuing to serve you during the year ahead.



The Threatened Swan; Interpreted later as an Allegory on Johan de Witt, Jan Asselijn, circa 1650

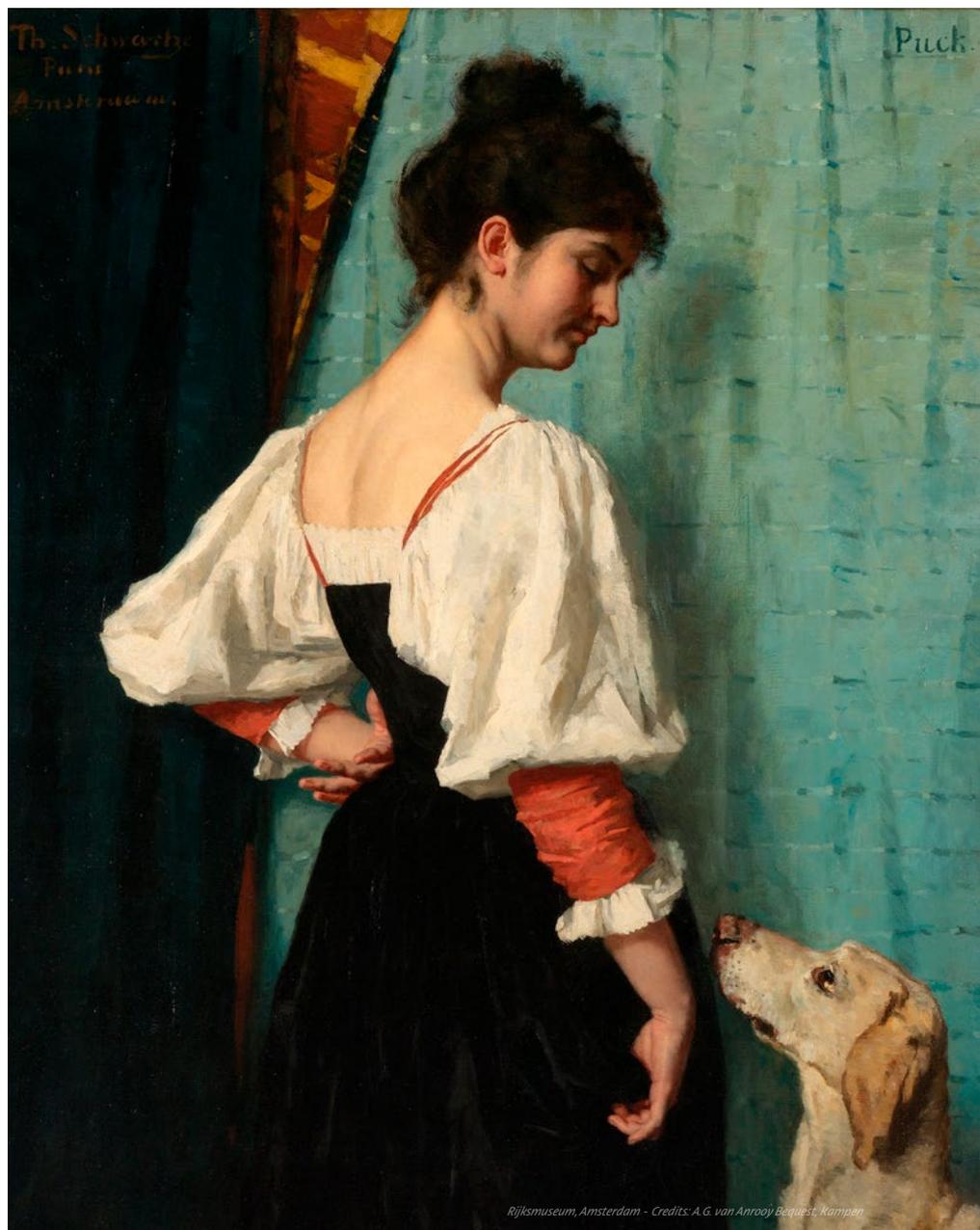
Management discussion and analysis

Business review

The Company is a Hong Kong, Europe and US based fund management group with a focus on volatility trading in liquid markets. The Company and its subsidiaries (together as the “Group”) principally manage funds and managed accounts on a discretionary basis using a global relative value volatility strategy and other volatility strategies developed by the Group. The Company may also engage in limited trading of proprietary capital, principally via derivatives, as part of its research into new strategies and markets that may be appropriate for inclusion in the mandates it runs for external clients. The strategies run by the Group principally involve the active trading of liquid exchange listed derivatives (including equity index options, large cap single stock options, as well as futures, exchange traded funds and equities) across major markets (including the US, Europe and Asia) and different time zones. Our trading decisions are supported by our in-house proprietary trading platform (embedded with option pricing and volatility surface models) designed for our specific way of trading and which enables real-time pricing of implied volatilities, quantitative comparisons, risk management as well as speedy execution of trades. Our team’s collective expertise and specialised knowledge in options and volatility trading is the foundation of our proprietary trading technology.

Our firm assets under management are US\$501 million as of 31 December 2024 and we currently manage or

advise on both fund products and managed accounts. Our longest running fund product was launched



Young Italian Woman, with 'Puck' the Dog, Thérèse Schwartz, circa 1885 - 1886

7. The metrics referenced are the Nikkei Stock Average Volatility Index and the Kospi 200 Volatility Index

8. Sources: Bloomberg, True Partner

in July 2011 and was later restructured into a master-feeder structure to facilitate investments from US taxable investors. Assets under management relating to fund products are grouped together as “fund vehicles” above and below. In addition to funds launched by us or co-branded with us, we also enter investment management mandates with third parties who allocate a sub-fund of their umbrella fund or a

portion of their assets to be managed by us. While such arrangements may have different underlying structures in accordance with client preferences, for simplicity we group assets under management relating to these mandates under “managed accounts” above and below.

As of 31 December 2024, our assets under management comprised of US\$43 million in the Group’s

comingled flagship True Partner Fund and US\$458 million in managed accounts or similar arrangements, including fund-of-one structures. The investors in funds and accounts managed or advised by us are mainly professional investors, which may include collective investment undertakings, family offices, pension funds, endowments/foundations, financial institutions and high net worth individuals.

Market Environment

The MSCI World Total Return Hedged to US Dollars (“**MSCI World**”) had a gain of +21.2% over the Reporting Period. The MSCI World experienced gains in all four quarters of the year, with the strongest gains in Q1 2024 (+10.2%) and smaller rises in Q2 (+3.2%), Q3 (+4.9%) and Q4 (+2.1%). The Bloomberg Global Government Bond Index Hedged to US Dollars (“**Global Bond Index**”) was up +3.6% over the Reporting Period.

Popular measures of at-the-money implied volatility were modestly higher over the Reporting Period. These measures provide a snapshot of implied volatility at different points in time but are not directly tradable. The VIX index rose from 12.5 to 17.4. A similar measure for the Euro Stoxx 50, the VSTOXX, rose from 13.6 to 17.0, while the equivalent measures in the Japanese Nikkei went from 17.5 to 21.8 and in the Korean Kospi 200 index from 17.8 to 21.1 respectively.⁷

Of the various volatility indices noted above, the VIX has the most liquid derivatives market, via VIX futures and options. The ProShares VIX Short-Term Futures ETF (“**VIX ETF**”), which systematically buys and rolls short-term VIX futures, can be seen as a proxy for the performance

of continuously holding a long position in short-term VIX futures and we believe is a more informative proxy for the behaviour of volatility than the VIX index (because, as mentioned above, the VIX index is not itself directly tradable). Despite the modest rises in the volatility indices, the VIX ETF was down by -27.4% over the Reporting Period.⁸

With regards to measures of realized volatility – the actual day to day volatility of equity indices – a differential was visible between the first six months and the last six months of the Reporting Period. The first half year saw a continuation of last year’s environment with relatively muted day to day movement. Annualized volatility in the MSCI world was 8.5% over this period and annualized volatility in the S&P 500 was 10.5%, a little over half their long-term averages. However, the second half year did see movement pick up, as annualized volatility in the MSCI world was 12.5% over this latter period and annualized volatility in the S&P 500 was 14.3%, but remaining below long-term averages. Most Asian markets saw higher volatility, more in line with long-run averages, which helped to provide opportunities.

Investment Performance

The backdrop over the Reporting Period would generally be expected to create a relatively challenging environment for our index volatility trading, particularly in the first half year. The Group's trading strategies are predominantly relative value in nature, but historically have seen their best performance in periods of falling equity markets and rising volatility. However, our relative value volatility strategy was able to preserve capital over the first half year delivering a small positive return of +0.5%.⁹ Our relative value volatility strategy posted its best return of the first half year in April 2024. During that month, which was the worst month for the MSCI World over the entire Reporting Period, our relative value strategy was up +1.4% compared to a return of -3.2% for the MSCI World.

During the second half of 2024, our relative value volatility strategy performed well with a positive return of +5.5%, driven by gains of +6.2% during the third quarter. While no major volatility dislocations occurred, the strategy was able to benefit from smaller volatility events in Asia and the US (e.g. in Korea when markets fell, in Hong Kong when markets rose, various trading opportunities in Japan's Nikkei and during the very

brief VIX moves in early August in the US). One notable feature over the Reporting Period as a whole is that while the strategy provided diversification benefits in months in which global markets declined, the strategy was also able to capture periods of upside volatility. This was a partial driver of the strategy's +3.0% gain in September, which was the best month of the Reporting Period.

As we have highlighted in both positive and negative periods of performance, investment performance in any given short time period can fluctuate around the long-term average based on the prevailing market opportunities. Investors in the Group's products typically focus on long-term investment performance as a key metric as they are generally seeking to invest with a longer-term horizon. When considering the whole period from its inception in July 2011 through 31 December 2024, the True Partner Fund, the Group's longest running fund product, has delivered a higher return and alpha than the Eureka Hedge Asset Weighted Hedge Fund Index, a broad index of hedge fund performance, despite that broad index having a positive beta to equities (which was beneficial

to its performance over the period) and the True Partner Fund having a negative beta to equities. The True Partner Fund has also delivered a higher alpha, an important measure of risk-adjusted return, than each of the Eureka Hedge Relative Value Volatility, Eureka Hedge Long Volatility, Eureka Hedge Short Volatility and Eureka Hedge Tail Risk hedge fund indices.¹⁰

While investors generally have a long-term focus, we are pleased to note that the True Partner Fund outperformed most funds we consider to be peers in 2024¹¹, and also outperformed each of the Eureka Hedge Relative Value Volatility hedge fund index, the Eureka Hedge Long Volatility hedge fund index and the Eureka Hedge Short Volatility hedge fund index and the Eureka Hedge Relative Tail Risk hedge fund index.

We have also seen an improved ability for our relative value strategy to weather challenging market conditions as compared to a comparably difficult periods of strong equity gains and declining volatility such as seen in 2019, the second half of 2020 and during 2021. Over the 2-year period from 31 December 2022

9. This material is not in any way intended to solicit investment in our fund products or managed accounts. Our fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance. Returns are based on Class B shares and are shown net of fees and expenses.

10. The Group considers these indices to be relevant benchmarks of peer performance as they are comprised of hedge funds trading different types of volatility strategies.

11. The peer group reference is for illustrative purposes only and peers referenced are likely to have material differences to the approach of the True Partner Fund. No representations are made regarding any peer strategy. The peer group referenced is selected based on available public information about other funds who also publish their performance on Bloomberg. The peer group selection involves subjective considerations. The peer group is expected to change over time as peer strategies evolve and data availability changes.



Girl in a White Kimono, George Hendrik Breitner, 1894



View of The Hague from the Delftse Vaart in the Seventeenth Century, Cornelis Springer, circa 1850 - 1852

through to 31 December 2024, the MSCI World is up +51.5% and the VIX ETF is down -80.2%. Over the same period, our relative value strategy was up +6.8%.¹² Over the same 2-year

period, our relative value strategy has also generated higher alpha relative to the MSCI World than the broad EurekaHedge Asset Weighted Hedge Fund Index and each of the

EurekaHedge Relative Value Volatility, EurekaHedge Long Volatility, EurekaHedge Short Volatility and EurekaHedge Tail Risk hedge fund indices.

12. This material is not in any way intended to solicit investment in our fund products or managed accounts. Our fund products and managed accounts are only available to appropriately qualified investors and are not marketed in certain jurisdictions. The performance of certain fund products the Group regards as relevant to shareholders is disclosed to the Exchange on a voluntary basis monthly. Performance of certain fund products is also reported to Bloomberg and certain databases of hedge fund performance. Returns are based on Class B shares and are shown based on the current 1% management fee and 20% performance fee. As previously disclosed, the fee structure has been revised to a 1% management fee and a 20% performance fee effective as of October 2023. Previously the Fund applied a 2% management fee and a 20% performance fee. Applying the previous fees would result in a lower return of +0.5% over this 18-month period.

Financial Performance

The Group's primary source of revenues is its fund management business. Fund management revenues are derived both from management fees and from performance fees. Fund management revenues for 2024 were HK\$5.8 million. This compares to revenues of HK\$12.4 million for 2023. The decrease in revenue was primarily due to shifts in product mix over the period and a decrease in assets under management. This had the result of lowering the average level of assets under management and the average management fee charged on the Group's assets under management for 2024 as compared to 2023.

Revenue per unit of assets under management can vary as a result of a number of factors. Individual fund products and managed accounts can have different fee structures due to differences in the nature and sizes of the mandates and other factors. Comparing 2024 to 2023, assets under management declined overall as detailed in our regular monthly filings and there were changes in underlying product mix. The changes in assets under management primarily reflected factors including idiosyncratic changes with some underlying clients, as well as the effects of a challenging trading environment in general. Overall, the effects of the changes in assets under management and product mix also included that the expected relative contribution of management fees and performance fees to revenues per unit of assets under management became more focused on performance fees and less focused on management fees.

As discussed above, the market environment for the Group's investment approach was also challenging during 2024. This helped result in lower performance fee income than the Group's long-term objectives. The combination of all these factors led to a decrease in the average level of assets under management and the average revenue per unit of assets under management for 2024 as compared to 2023. In combination, these factors also led

to a decrease in overall fund management revenues for 2024 as compared to 2023.

Revenue from the consultancy business of the Group may include serving as an expert witness for market regulators, which one of the principals of the Group provides to the Hong Kong Securities and Futures Commission in cases of suspected market manipulation on both the Main Board and the GEM of The Stock Exchange of Hong Kong Limited (the "HKEX").



Phaëton, Hendrick Goltzius, 1588

Revenue from the derivatives trading business associated with our research into new strategies and markets is included under "net trading gain". The derivatives trading business is supportive of the fund management business as research is intended to lead to the development of attractive trading strategies that may be subsequently implemented in the Group's funds and mandates, where they have the potential to generate management fees and/or performance fees revenues.

Both the consultancy business and the derivatives trading business contribute to the Group's revenue with the derivatives trading business being contingent on the fund management business. Revenue from the consultancy business was in line with expectations given its incidental nature whereby our Group may from time to time serve as expert witness for market regulators such as the Hong Kong Securities and Futures Commission. Revenue from the derivatives trading business is also expected to be small. It is however an encouraging positive sign that the new strategy that we are exploring for the potential benefit of investors in our funds generated a profit, as this indicates that it may be attractive to potential investors and thus a potential future source of revenue within our fund management business. The Group is currently working on exploring potential partnerships with prospects to launch a product based on this strategy.

General and administrative expenses were HK\$57.9 million in 2024, as compared to HK\$78.3 million in 2023. The decrease was mainly in staff cost, professional and administrative expenses as the Group proactively reviewed its operations and made adjustments where it was able to identify redundancies and opportunities for efficiency. Given the cyclical nature of the opportunity set for the Group's investment approach, the Group is focused on ensuring the business remains robust, efficient and focused on the Company's plans as outlined in the Prospectus, able to endure the current challenging part of the cycle and ready to take advantage of a potential turn in the cycle that would result in more favourable conditions.

The Group has reduced its headcount by 36% and implemented a cost reduction plan in its general and administrative expenses. While expenses are subject to uncertainty and the influence of a range of factors, the Group expects to see some additional benefit from these adjustments over the following twelve months. As part of the Group's cost reduction plan, the Group is

also investigating the opportunity of restructuring the Group's entities in order to further enhance operational efficiency. As a result, the progress for the use of proceeds outlined in the Prospectus remains relevant but during the Reporting Period the Group opted to extend the expected timeline for utilising the remaining unused net proceeds to 31 December 2025. These adjustments do not alter the Company's plans as outlined in the Prospectus.

The Group's loss before income tax was a loss of HK\$48.4 million in the year of 2024, as compared to a loss of HK\$65.5 million in the comparable period in 2023. Loss attributable to owners of the Company was HK\$48.5 million in the year of 2024 (after tax), as compared to a



Rough Sea with Ships, Ludolf Bakhuysen, 1697

loss attributable to owners of the Company of HK\$67.0 million in the comparable period of 2023. The Group's comprehensive income attributable to owners of the Company was a loss of HK\$49.5 million in the year of 2024 as compared to a loss of HK\$66.5 million in the comparable period of 2023.

13. Figures for assets under management may include figures based on estimated net asset values for fund vehicles or managed accounts managed or advised by the Group

Assets Under Management

The Group reports its assets under management in US dollars.¹³ US dollars are the base currency of most of the Group's fund vehicles and managed accounts. The Group had \$501 million in assets under management as of 31 December 2024. This compares to \$512 million as of 30 June 2024 and \$885 million as of 31 December 2023. The decrease relative to the comparable period of 2023 and relative to 30 June 2024 was primarily driven by the investment

portfolio adjustments of some investors in the Group's products. As noted in the Company's Interim Report, based on our discussions with clients, we believe that the large majority of the adjustment in assets under management over the first half of 2024 was driven by idiosyncratic client-specific factors and does not reflect changes in clients' conviction in our investment approach. The Directors believe that the relative stability in assets under management in 2H 2024 provides

comfort that this view was correct.

As of 31 December 2024, the Group had \$43 million in assets under management in fund vehicles and \$458 million in managed accounts. This compares to \$87 million in assets under management in fund vehicles and \$426 million in managed accounts as of 30 June 2024 and to \$157 million in assets under management in fund vehicles and \$728 million in managed accounts as of 31 December 2023.

Business Development Activities

Over the last several years, the Group has successfully adapted to the challenging conditions created by Covid-19, and the post-Covid-19 environment. This has included expanding its provision of digital content and making use of technology to engage with investors globally. This enabled us to remain active in communication in an environment where there were restrictions on in person interactions and travel and has also provided a beneficial platform to facilitate wider and deeper interactions as travel restrictions have eased and now been removed. As noted in previous reports, we have seen some Covid-era changes become standard practice; for example, interactions that would previously have taken place as voice calls now take place as video conference calls.

During the Reporting Period, the team has been actively engaged with investors and prospects through webinars and on a one-on-one basis. This included holding webinars for the True Partner Fund and various one-on-one meetings. These provided an opportunity to discuss the Fund's performance in 2023, 2024 and our investment outlook. The Group also continued to engage

with investors and prospects via newsletters and articles. These publications continue to help drive engagement with existing and potential investors and our outlook was recently cited in Bloomberg as part of a piece noting the success of Asian hedge funds.

As part of our digital communications approach, the Group utilises customer relationship management software that we believe to be industry leading, which helps us to efficiently engage with a wide range of prospects and easily enable knowledge to be institutionalised. Use of this tool over time has also enabled us to start to make more extensive use of the proprietary data it generates. We have also been engaged with our capital introduction partners over the period.

During the year, senior personnel within the Group also continued to be active in meeting investors and prospects in person and in international travel to meet investors where commercially beneficial and in keeping with environmental and social governance responsibilities, alongside the Group's engagement with investors and prospects via digital content.



rijksmuseum, Amsterdam – Credits: A. van Wezel Bequest, Amsterdam

The Damrak - Amsterdam, George Hendrik Breitner, 1903

Senior personnel have also participated in panel discussions at industry events across the world. Our participation in events is primarily targeted at events where the participants are focused on investing in volatility strategies. Events Group personnel have featured in have included the Global Volatility Summit Tokyo, the Volatility Investing event (in London), the Global Volatility Summit New York, a CBOE / FTSE Russell workshop (in London), the Northern Trust Market Mingle (in Amsterdam) and the Asia EQD conference (in Singapore). These events have provided an opportunity to share our perspectives on markets, meet with investors and prospects and to build our brand, amidst targeted audiences of industry professionals. They have also provided additional brand exposure through platforms such as LinkedIn, with event hosts such as

CBOE sharing content mentioning our participation, as well as providing opportunities for the Group to share its own content referencing such events.

The Northern Trust MarketMingle event was centred around the thought leadership work we have done together with Northern Trust on risks in the Dutch pension transition, an area where we see potential opportunities to work with pension funds. Northern Trust is one of the world's largest financial institutions and has over USD1.6 trillion in assets under management as of 31 December 2024. It is ranked as one of the world's most admired companies by Fortune Magazine and has received multiple awards for its business, including specifically for its work with European pensions.¹⁴

14. Source: Northern Trust

As noted in our 2023 Annual Report, during the second half of 2023, the Group and Northern Trust collaborated on joint pieces in Het Financieele Dagblad, the leading daily financial newspaper in the Netherlands, and Pensioen Pro Magazine, a leading publication for pension funds. In December 2023, the Group and Northern Trust jointly released a white paper focused on the upcoming pension transition in the Netherlands, which was promoted by both the Group and by Northern Trust, including through both firms' websites and social media. The Group's senior personnel have been engaged with relevant parties in the Netherlands during 2023 and 2024 and we also expect this to be an area of focus during 2025.

Our proprietary analytical tools have been instrumental in this work, enabling us to provide pension funds with detailed risk insights. During 2024 we saw a number of Dutch pension funds delay their planned transition dates, and this shifted the opportunity in this market to a later date. Several funds are planning to transition at the end of 2025 and we are looking for opportunities to engage with that cohort.

During 2024 we have also been actively engaged with potential investors in new products developed by the Group. The Group has invested in additional quantitative tools since its IPO and has used these together with





existing tools to aid the development of additional strategies. Further to these efforts, in 2H 2024 the Group launched a new volatility investment strategy through a managed account with a large institutional investor. This strategy offers a diversifying return and revenue stream to our relative value strategy and we expect the strategy to see further growth in assets under management in 2025.

In 2025 we intend to focus on business development opportunities across multiple potential channels. Over the last several years our research has enabled us to develop additional investment strategies. This diversifies our product set and therefore broadens our potential investor base and the potential 'wallet share' with existing investors.

In addition to the new strategy noted above, as of the time of writing we are engaging potential institutional prospects on two additional strategies in a targeted way. The first is new offshore China-focused equity derivatives strategy; the second is a new onshore China-focused multi-asset derivatives strategy. We also continue to engage with existing and prospective investors for our existing offering, notably our relative value strategy, which delivered a 6% return in 2024 and outperformed most peers and each of the four Eureka hedge volatility hedge fund indices (as noted above). In addition, we are focused on potential prospects for our customized tail risk solutions, and together with Northern Trust continuing to seek opportunities with Dutch pension funds.

RIJKSMUSEUM



Technology Developments

In line with the prospectus our Technology team completed in 2024 the enhancement of our data centres including the replacement of our servers and an increase in our storage capabilities through a new centralized storage area network.

This gives our Group an improvement in the management and monitoring of our storage environments and enables us to better assess storage growth and needs, scale our storage environment based on the growth of our business, as well as greatly

improved storage performance with faster access.

Furthermore, we completed the modernizing of our network equipment, including the installation of next generation firewalls for



Portrait of Marten Soolmans, Rembrandt van Rijn, 1634

improved protection against threats and support for and integration of virus and malware threat detection. This is particularly important as cybersecurity has become a key matter that investors and asset allocators focus on in their operational due diligence and it is

believed that the trend of increased focus on this issue will likely continue.

Finally, we optimized our global data centre presence and connectivity to become more cost-efficient while keeping our requirements

for redundancy and stability intact. Our development team has remained focused on maintaining and incrementally improving the key elements of our core proprietary systems, including our front-end applications and our back-testing environment.



*Rijksmuseum, Amsterdam
Credits: Joint acquisition by the Dutch State and the French Republic, collection Rijksmuseum/collection Musée du Louvre*

Portrait of Oopjen Coppit, Rembrandt van Rijn, 1634



Rijksmuseum, Amsterdam — Credits: On loan from the City of Amsterdam (A. van der Hoop, Bequest)

Still Life with Flowers in a Glass Vase, Jan Davidsz. de Heem, 1650 - 1683

Market Outlook

Our investment approach is quantitatively driven with a disciplined process that does not rely on macro forecasts. However, the overall environment is nevertheless an important backdrop. Below we provide some brief observations on the current macro environment and potential implications for investors' approaches to portfolios.

2024 marked the second consecutive year of an over 25% return for the S&P 500 on a total return basis. The last time we had two consecutive 25%+ years was 1997 and 1998, in the midst of the dot-com boom. Following Trump's win in November – accompanied by Republican control of both the House and Senate – investor

bullishness on U.S. equities reached new peaks. The administration took charge in January 2025 amidst a backdrop where equity valuations were all-time highs, U.S. 'exceptionalism' was priced in, and investors were optimistic that policy changes would be beneficial to corporate America. As we write in February 2025, the new administration has started to deliver its policy agenda, and while uncertainty abounds, we can better anticipate the likely path of legislation. One conclusion is that we believe that volatility trading is likely to be a beneficiary. In this Outlook we will first step back to look at equity valuations, the geopolitical backdrop, what is priced into implied volatility markets, and conclude with the potential implications for the Group.

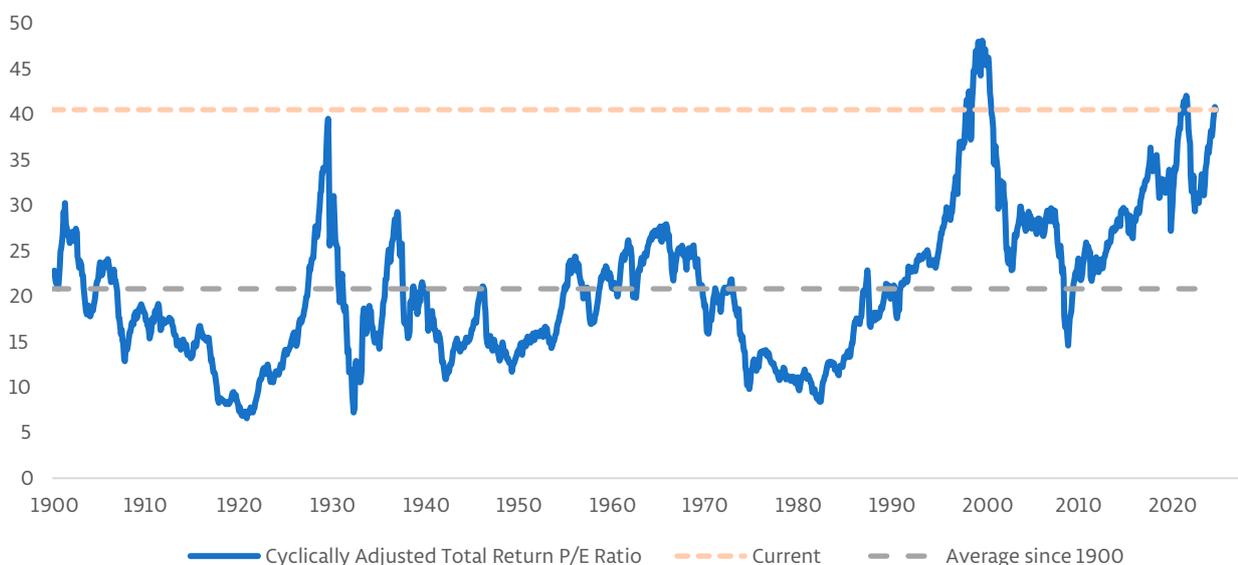
Valuations

Over the long-run, one of the best valuation indicators is the cyclically adjusted P/E ratio, developed by Robert Shiller in the late 1990s. On that metric (we show the total return version below, which also

accounts for buybacks), U.S. equities are close to peak expensiveness, with a 41x cyclically adjusted P/E ratio at the end of January 2025 – in the 98th percentile of observations since 1900. The only period with

sustained valuations at or above current levels is the end of the dot com boom, from mid-1998 through to mid-2000 (with the market peaking in March 2000).

U.S. equities: S&P Composite cyclically adjusted total-return P/E ratio (CAPE TR P/E)¹⁵



¹⁵ Sources: Robert Shiller / Yale University, True Partner. Data through January 2025.

Bullish market participants often counter that the CAPE is a backward-looking measure. But expectations

for future growth are also high, and valuations based on forward P/E ratios are also near all-time peaks. Forward

looking valuation measures also tend to move in sync with the backward-looking CAPE, as shown below.

U.S. equities: S&P Composite CAPE TR P/E vs S&P 500 Fiscal Year 3 forward P/E¹⁶



A significant part of the bullishness on future earnings growth stems from the Magnificent Seven stocks and optimism on AI. These companies are currently engaged in massive capital spending on AI projects. AI seems likely to be a driver of future profitability, but how much profitability? The advent of DeepSeek’s R1 model prompted a scare for AI investors in late January 2025, as investors began to consider that the Chinese firm’s apparently significantly cheaper and more efficient approach may significantly reduce potential demand. So far

seen we have seen only a modest change in valuations for Western AI-related stocks – but we have also seen a resurgence in China’s tech stocks and announcements of significant investments in AI from Chinese companies such as Alibaba. This suggests investors are starting to see Chinese firms as potential leaders in the field too. At a global level, increased capex is likely to lead to more competition and increase the potential for oversupply – which may impact future margins.

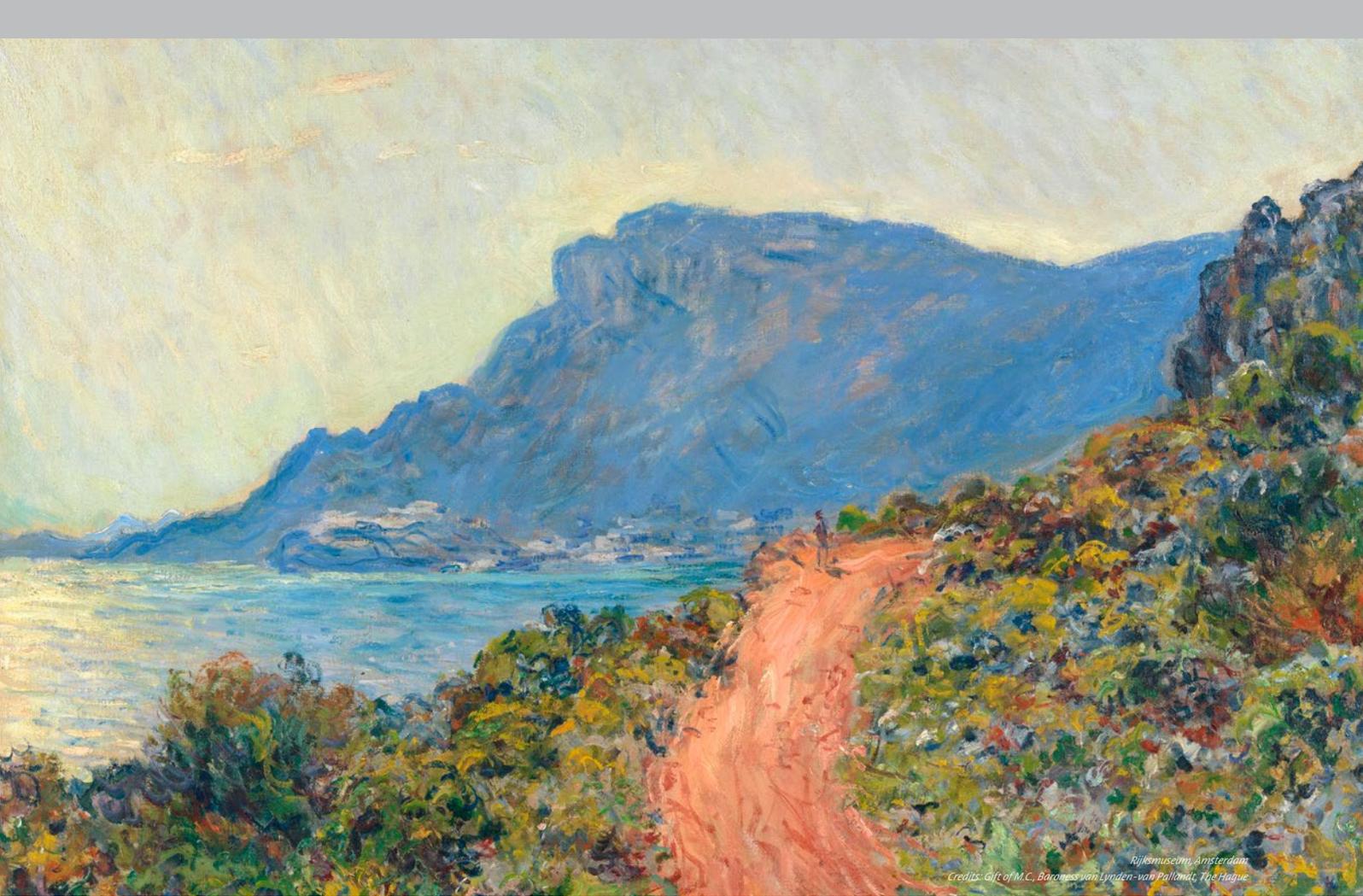
The top stocks in the U.S. are also

historical outliers in their importance to index investors: the top 10 stocks in the S&P 500 account for over a third of its market capitalization, well above peak levels seen in the dot com era (just over 25% in the top 10).¹⁷ But it is not just the top stocks where there is heady optimism. Coming into 2025, earnings growth expectations were bullish across the board, as shown in the charts below. Analysts were expecting 18% growth for the Magnificent 7, 14% growth for the U.S. market as a whole, 9% for the U.S. excluding the Magnificent 7 and 7% for the rest of the world.

¹⁶ Sources: Robert Shiller / Yale University, Bloomberg, True Partner. Data through January 2025.

¹⁷ Sources: S&P Global (February 2025), Capital Group. Has stock market concentration reached a tipping point, Capital Group, September 2024. <https://www.capitalgroup.com/individual-investors/se/en/insights/articles/has-stock-market-concentration-reached-a-tipping-point.html>

¹⁸ Diluted EPS for MSCI U.S. and MSCI World excluding USA. Inflation doesn't account for the difference – U.S. CPI inflation has averaged 3.0% over the 10 years to December 2024, above the 2.6% breakeven inflation priced in for the next year at the end of 2024. Sources: BlackRock, Bloomberg, True Partner



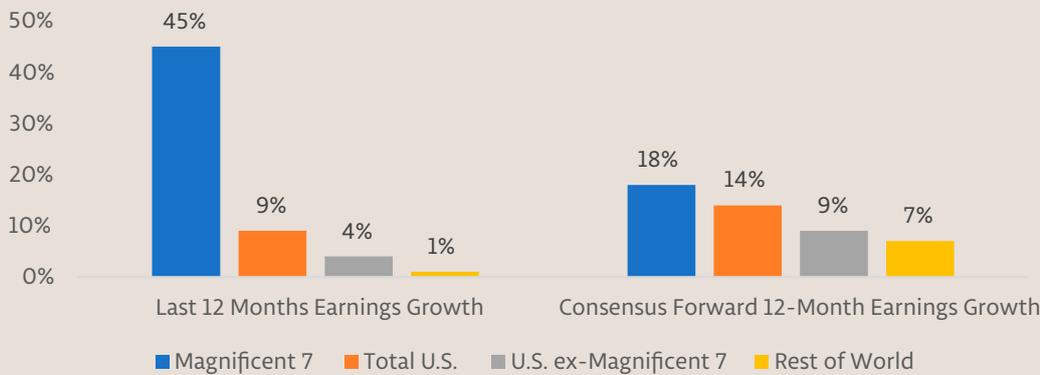
La Corniche near Monaco, Claude Monet, 1884

For context, earnings have grown at 6.6% in the U.S. (based on fully diluted EPS for the MSCI U.S.) and 4.2% outside the U.S. over the last

10 years to end-2024 (based on the MSCI World ex-U.S.) – that includes a strong contribution from tech stocks, particularly in the U.S. Analyst

estimates are for future growth excluding the Magnificent 7 to be roughly double those levels.¹⁸

Trailing and Expected Earnings Growth

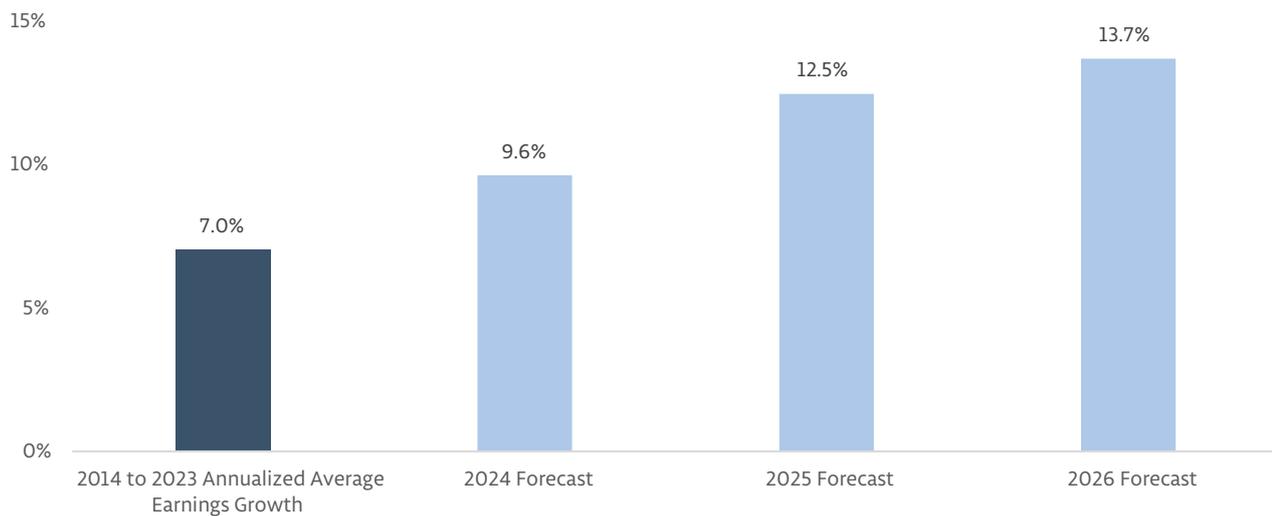


If we zoom in further on the U.S., using bottom-up analyst forecasts for the S&P 500 as of mid-February

(so a slightly different lens to that cited above), we can see that analysts are forecasting rapid growth in

earnings not just in 2025 but also in 2026. Such strong growth is rare.

*S&P 500 earnings forecasts (bottom-up EPS, as of 21 February 2025)*¹⁹



Amidst such high expectations, it is worth recalling the fate of the huge telecom and network related investments of the late 1990s amidst the growth in the internet. While there were many dot-com companies with questionable business models (Pets.com springs to mind), there were also many fast-growing companies with substantial businesses. For years, there was

a ‘virtuous circle’ of inter-related growth as internet demand grew rapidly and companies competed to build infrastructure. Companies such as Lucent Technologies, Qualcomm, Nortel Networks, Cisco and Sun Microsystems saw strong growth for several years. Then valuations and growth expectations got too high, growth disappointed, capex was cut dramatically (US telecoms capex

doubled from 1996 to 2000, then fell to below 1996 levels), and companies became trapped in a vicious circle of cost cutting and falling share prices. AI undoubtedly has huge potential and investments could be as profitable as the market is pricing. But there is also a risk that all this capex may engender competition and oversupply that will ultimately result in disappointing profit margins.

¹⁹. Source: FactSet Earnings Insight, 21 February 2024

Trump 2.0: making America great?

Turning to the policy backdrop, the Republican clean sweep at the election – winning the Presidency, House and Senate – was taken as a bullish sign by equity markets. Markets appeared to be pricing a ‘goldilocks Trump’ for Wall Street – where corporate friendly policies



Portrait of a Girl Dressed in Blue, Johannes Verspronck, 1641

such as tax cuts would be enacted, but less market friendly policies would fall by the wayside. Trump’s first term has been cited by some commentators as a basis for this view. However, we believe that Trump 2.0 is likely to be different to his first term.

Coming into his first term, Trump had limited experience in governing and managing the bureaucracy, and his appointments were significantly influenced by the broader Republican party. The net effect was that the Trump administration was only able to implement

policies with broad support across the Republican party and its supporters, notably major tax cuts targeted primarily at the wealthy, through the Tax Cuts and Jobs Act in 2017. Trump’s other major legacy was primarily based on the timing of his presidency, which gave him the opportunity to replace three Supreme Court justices. By appointing three conservative judges he significantly shifted the balance of power in the nation’s highest court.

Interviews with and biographies of former administration officials suggest that, during Trump’s first term, some of the requests from Trump and his team that were deemed more outlandish by officials were ignored, or responses deliberately delayed – in what those officials perceived as the national interest. Similarly, the GOP majority in Congress was more independent of Trump and acted to restrain him – including on subjects such as support of NATO.²⁰

This time around it is very different. Trump and his team entered government well prepared and with a clear plan for change. The Republican party has also been transformed since 2016. The MAGA movement has had a significant impact on Congressional races, internal party politics and funding and the result is that the party is now much more aligned with and in the control of Trump and his team. Early indications following the inauguration in late January suggest that Trump’s nominations have favoured those personally loyal to the President, and that he is willing to appoint people with controversial views.

Within the bureaucracy, the Project 2025 blueprint is being put into effect in rapid fashion, with major personnel changes and it seems entire departments being effectively shut down (USAID and the Consumer Financial Protection Bureau). Presidential Executive Orders are being used to enact changes on a wide range of topics. From an economic perspective, the most significant relate to tariffs, shifting back towards fossil fuels,

20. Congress Can Check the President on Foreign Policy—Even Under Trump, Carnegie Endowment, 30 January 2025 <https://carnegieendowment.org/emissary/2025/01/trump-congress-foreign-policy-check?lang=en>

empowering DOGE and cutting spending in specific areas such as aid. But the broader picture is also illustrative of the administration's priorities and confidence in its perspective, including pardons for those involved in the Capitol riots on January 6, 2021, changing the name of the Gulf of Mexico and rescinding several Biden-era executive actions.

An important takeaway for investors is that this time around policy is likely to be significantly more ideologically driven and there will be less internal



The Merry Family, Jan Havicksz. Steen, 1668

opposition to change. That increases the likelihood that policy may include material elements that are market unfriendly or that change established doctrines of foreign and domestic policy, creating uncertainty.

Key elements of the Trump agenda are likely to be inflationary, particularly the imposition of tariffs (which

is likely to raise domestic prices, as import prices will rise and domestically produced substitutes are likely to be more expensive than the imported products) and the deportation of illegal immigrants (which reduces the supply of labour, potentially very materially). Coming into the election, some commentators had regarded the threat of tariffs as a negotiating tactic that were unlikely to be implemented. Signs so far suggest the administration has a stronger belief in the efficacy of tariffs.

There are some potential offsets to the inflationary effects. Notably, if the Department of Government Efficiency (DOGE) makes material cuts to government spending, this could have a significant impact on growth as government spending is a major component of GDP. Whether or not this increases efficiency in the long-run through re-allocation of resources, in the short-run it will reduce employment and therefore consumer spending. In addition, easing of environmental regulations on fossil fuel related energy production may have a mildly deflationary effect. However, this may be partially or wholly offset by the impact of removing subsidies for green energy, which will raise costs and likely reduce supply from this area. Net, there is more consensus on the result being a short-run rise in inflation, with debate over the long-term implications.

There are several signs that markets and consumers are beginning to worry about inflation. Breakeven inflation – the inflation implied by markets from a comparison of nominal and inflation-linked U.S. Treasury yields – has risen markedly. The University of Michigan surveys have also shown an increase in expected inflation, including long-term inflation, which may be more likely to pass through to wages. The Federal Reserve's economic projections (better known as the “dot plot”) in December 2024 also projected higher inflation. Higher for longer rates seems like a likely consequence.

What does this mean for equity markets?

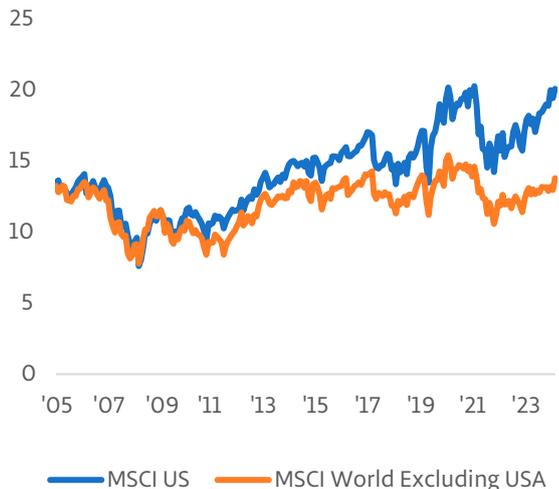
After years of U.S. outperformance, many investors have a very high U.S. equity allocation – even though 89% of fund managers in Bank of America’s long-running survey believe that U.S. equities are overvalued, the highest level since April 2001 (nb. the number has been around 80% for some time). We see some potential that investors may diversify into other equity markets – but it is important to note that much of the non-U.S. underperformance over the last decade has been

justified by weaker fundamentals, visible in slower earnings growth.

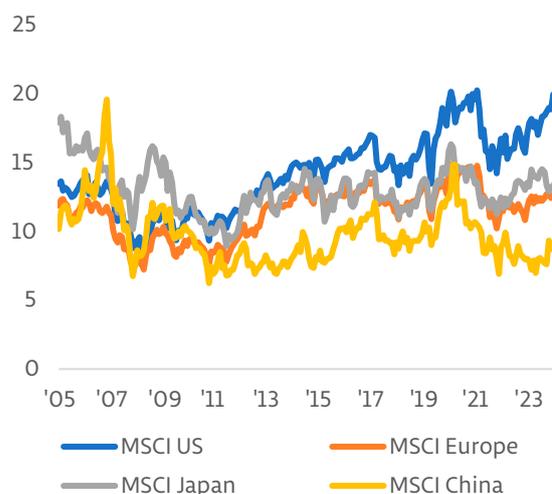
Even more importantly, most investors are tied formally or informally to indices and passive implementations have also seen substantial growth. With the U.S. now 67% of the MSCI All-Country World Index (and 74% of the MSCI World Index) relative to 47% back in 2012 (and only 42% back in 2007), the risk of benchmark underperformance is also likely to weigh on many portfolio managers’ minds.²¹

Since the start of 2025, we have seen outperformance from non-U.S. markets, including Europe and China. However, investor focus remains on the U.S. From a volatility perspective, this also makes the U.S. the primary place to watch for a correction. If we get a big downward move, history and current relationships suggest that other major markets (notably Europe and Japan, less so China) are likely to see highly correlated downward moves too.

U.S. equities trade at a premium to the rest of the world, even when adjusting for their higher expected earnings growth (FY3 P/E, consensus estimates)²²



Chinese equities stand out as trading at a discount to other major markets (FY3 P/E, consensus estimates)



One area we are watching closely is China. China-related equities are the only major market that tend to trade relatively independently

of Western markets, and they exert a strong influence on other Asian markets, which are core to our trading opportunity set.

Having been unloved for many years, Chinese equities now trade at a substantial discount to other markets. The authorities are engaging

21. Source: MSCI

22. Source for all valuation charts: Bloomberg, data as of January 2025

in coordinated fiscal and monetary stimulus and forward earnings yields (around 10% for MSCI China at the end of January 2025) are substantially higher than government bond yields (1.6% for CNY denominated 10-year bonds at the end of January 2025). 10 years ago, S&P 500 earnings yields were also well above 10-year U.S.

Treasury bond yields – but as of end-January 2025 the S&P 500 forward earnings yield was below the 10-year Treasury bond yield (though the two are close). While China has many challenges, we think that Chinese equities are one place that could see strong upward movement. Over the last several years, we have been

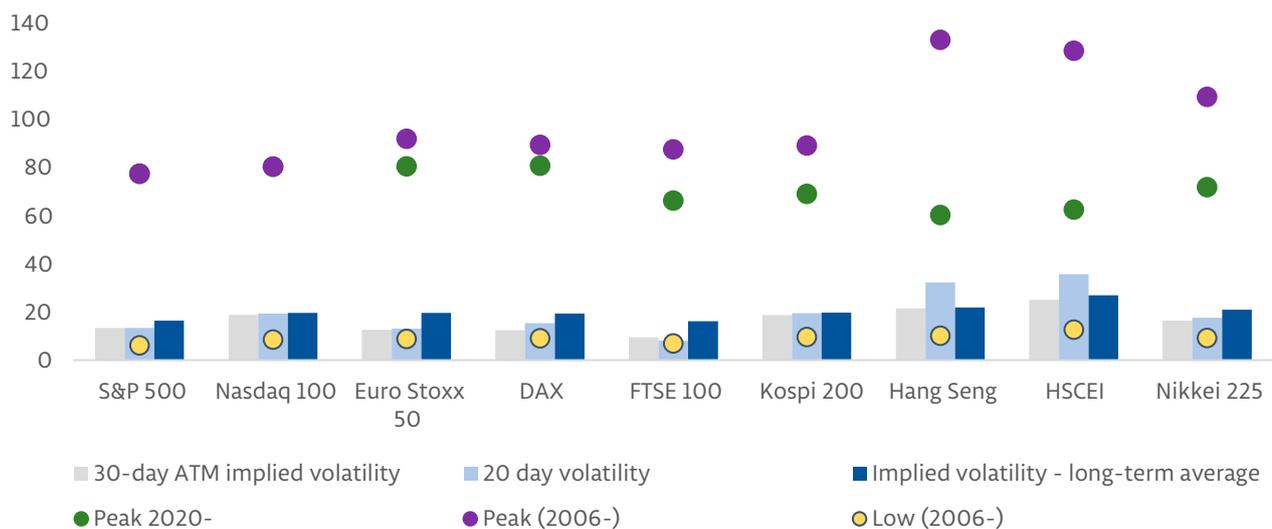
developing a strategy internally that takes advantage of volatility opportunities in China-related equities while also capturing this cheapness. We are now discussing this with some potential investors, as noted above in the Business Development section.

How are volatility markets pricing risk?

Volatility markets provide a snapshot of investors' perception of risk. With all the challenges described above, is risk perceived as elevated? It seems not yet. If we look at volatility pricing, 1-month at-the-money volatility is below long-term average levels in almost all the indices the Group trades, despite these rising risks.

Realized volatility is also below long-term average levels in most of these indices, but interestingly we also see very little premium for implied volatility relative to realized volatility – which is unusual when realized volatility is low. This could be an interesting entry point for hedging.

1-month ATM implied volatility, as of January 2025



We believe that the combination of equity markets at close to peak valuations, significant policy uncertainty

and low implied volatility is unlikely to persist and expect to see attractive volatility trading opportunities ahead.

What are the potential solutions for investors?

One tempting option for investors in the current environment is to go to cash. But the reality is that institutional constraints – often informed by a healthy recognition of the potential cost of being out of the market entirely – mean that very few investors can hunker down with no risk assets. We believe this is likely to increase the focus on strategies that are robust to a change in the proverbial market weather.

This is one way we think that volatility strategies can add value, creating opportunities for the Group. We believe that investors need portfolios that are robust to a change in the market environment. One option is to add tail risk protection, which seeks to provide a strong return in the event of a significant drop in markets. This can offer high certainty of return, enabling investors to take more risk elsewhere in the portfolio. It also has the benefit of using limited capital, enabling investors to stay fully invested in the market. Making tail risk hedging more opportunistic in nature can significantly cheapen implementation options. We believe we are likely to see more opportunities with clients in tail hedging over the next 12 months than during the last 12 months. We believe the upcoming Dutch pension transition may also be an opportunity for these kinds of mandates.

Our relative value volatility strategy

can be another important diversifier. We have been running this strategy for over 13 years in the True Partner Fund and also offer access to the strategy via managed accounts. The strategy has delivered attractive absolute returns over time and tends to perform best during shocks when volatility rises and dislocations occur. This has given it a negative



Scarlet Ibis with an Egg, attributed to Dorothea Maria Gsell, 1699 - 1701

correlation to equities over the long-run. The strategy has also often been a ‘first responder’ to a shock when slower moving strategies such as trend-following take time to change course. In short-lived shocks like February 2018, it has an ability to monetize that can be difficult for tail

risk strategies. Of course, being non-directional means that it will tend to underperform a pure tail hedge in a March 2020 type scenario – but that characteristic also helped the strategy be up +6% in 2024, while having been negatively correlated to equities over the year. The True Partner Fund has also had a positive start to 2025 and we believe that it could be an attractive choice for investors looking to diversify while still maintaining a strong focus on absolute returns.

Of course, timing markets is difficult, and unusual valuations and behaviour can sometimes persist for longer than one expects. Our investment approach is principally absolute return, and we aim to profit in a range of market environments. Nevertheless, we believe that the current environment represents an opportunity for investors to consider their portfolio construction approach and long-term asset allocation. Alternative diversifiers including hedge funds and strategies such as volatility trading could be beneficiaries of this. We believe that the Group is well placed to offer strategies that can benefit from the current environment. While forecasting is always challenging, we are optimistic that we could see higher demand over the coming year.

Use of proceeds from the listing and subscription of new shares by substantial shareholder

The shares of the Company (the “**Shares**”) were listed on GEM on 16 October 2020 (the “**Listing Date**”) by way of placing and public offer (the “**Share Offer**”). The Share Offer of 100,000,000 new ordinary shares at HK\$1.40 each raised net proceeds of approximately HK\$104 million (after deduction of underwriting fees and listing expenses). Details of the Share Offer are set out in the Prospectus and in the Company’s announcement on 15 October 2020.

To strengthen the liquidity position of the Company, the Company and True Partner International Limited (the “**Subscriber**”) entered into a subscription agreement dated 27 December 2024. The Subscriber is a substantial shareholder of the Company and a wholly owned subsidiary of DSS Financial Management, Inc., which in turn is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc., which in turn is 58.79% owned by Mr. Chan Heng Fai Ambrose, a substantial shareholder of the Company. Pursuant to the subscription agreement, the Subscriber agreed to subscribe for, and the Company agreed to allot and issue, an aggregate of 19,500,000 subscription shares at the subscription price of HK\$0.400

per subscription share, representing approximately 4.65% of the enlarged issued shares of 419,500,000 shares immediately following completion of the subscription agreement (the “**Subscription**”). The total consideration is HK\$7.8 million. The net proceeds after deduction of relevant costs and expenses, is approximately HK\$7.3 million. The Subscription was completed on 24 February 2025.

The Company intends to apply the net proceeds of the Share Offer in the manner as stated in the Prospectus. For net proceeds from the Subscription, the Company intends to apply it predominantly to enhance the Group’s general working capital which will be used to cover the general operational expenses including general office administrative expenses, salaries and for the maintenance of the existing business, and to settle professional fees such as audit fees, legal costs, fees of financial advisers and financial printing fees.

During the period from the Listing Date to 31 December 2024, the net proceeds from the Listing had been utilised as follows:

Item / Currency	Actual net proceeds from the Listing HK\$'000	Amount utilised up to 31 December 2024 HK\$'000	Balance as at 31 December 2024 HK\$'000	Expected timeline for utilizing the remaining unused net proceeds (Note 1)
Listing net proceeds				
Expansion of our operations:				
in Hong Kong	26,403	5,933	20,470	By 31 December 2025
in Amsterdam, Netherlands	20,610	15,996	4,614	By 31 December 2025
in London, United Kingdom	10,711	6,572	4,139	By 31 December 2025
in Chicago, US	8,216	1,231	6,985	By 31 December 2025
Expansion through investment firm licence from the AFM	5,403	1,930	3,473	By 31 December 2025
Enhancement of our IT systems	22,302	14,662	7,640	By 31 December 2025
Sales and marketing	2,745	2,745	–	By 31 December 2025
Investing in funds managed by the Group	7,610	–	7,610	By 31 December 2025
Net proceeds from the Subscription (Note 2)				
Enhance general working capital in:				
Salaries	4,234	–	4,234	By 31 December 2025
Professional fees	657	–	657	By 31 December 2025
Office administrative expenses	1,168	–	1,168	By 31 December 2025
Other general expense for the maintenance of the existing business	1,241	–	1,241	By 31 December 2025
Total	111,300	49,069	62,231	

Note:

- Expected timeline for utilizing the remaining unused net proceeds from Listing is now extended from 30 June 2023 to 31 December 2025. From the Listing Date to 31 December 2024, the Group utilised approximately HK\$49,069,000 of net proceeds.
- The Subscription was completed on 24 February 2025 so the Group hasn't utilized the net proceeds on 31 December 2024.

Since 2021, 15 new personnel responsible for compliance, risk management, accounting, trading, and IT had been hired for the expansion of our team in Hong Kong, Amsterdam, London and Chicago. Subsequently, the Group had taken active steps to bolster the size of our team and interviewed more than 40 candidates who would be deployed for investor relations, portfolio management, compliance, IT and market research respectively as planned in the Prospectus. However, as generally the qualification of candidates fell short of our requirements and further to the adverse impact of current market conditions on the Group's operations, the hiring progress was postponed. Given the cyclical nature of the market conditions which the Group encounters, the expansion remains relevant, but we have opted to extend the expected timeline for utilising the remaining unused net proceeds from 30 June 2023 to 31 December 2025.

For the expansion through the application for an investment firm licence from the AFM, the progress follows the original plan disclosed in the Prospectus. The Group has filed the AFM licence on 16 July 2021 and utilised the planned proceeds in obtaining professional services to support this process. The licence application and screening fees has been charged after filing the AFM application. The AFM licence was granted on 24 March 2022. The remaining proceeds with regards to the AFM license will be utilised by maintaining the AFM license and the expected timeline is revised from 30 June 2023 to 31 December 2025.

For the enhancement of our IT system and the sales and marketing efforts are on the schedule. Please refer to the "Business development activities" and "Technology developments" sections of Management discussion and analysis ("**MD&A**") for the improvements and achievements the Group has made. Further to the impact of COVID-19 and subsequently the cyclical market

conditions in the nature for the Group's operations, the actual utilised amount is less than the planned amount in the Prospectus. The expected timeline for utilising the remaining unused net proceeds designated to the enhancement of our IT system has been extended from 30 June 2023 to 31 December 2025.

For the sales and marketing activities, the planned use of proceeds has been fully utilised as at 31 December 2021. Throughout 2024, continued efforts were carried out across the Group's global offices to attract potential investors as mentioned in the "Business development activities" section of MD&A.

For Investing in funds managed by the Group, the investment projects remain underway and are set to be launched once more favourable market sentiment emerges. Further to the cyclical nature of market conditions, the expected timeline for utilising the remaining unused net proceeds for investing in funds managed by the Group has been revised from 30 June 2023 to 31 December 2025.

The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumptions of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business and the industry and will be subject to change based on current and future development of market conditions. The Board considers that the development direction of the Group remains unchanged. The Board will continue closely monitor the situation and evaluate the impacts on the timeline to utilise the unutilised proceeds. Should there be any material change in the intended use of the Unutilised Proceeds, the Company will keep shareholders and potential investor informed if there are any material changes.

Rijksmuseum artwork in this report



Cover: The Capture of the Royal Prince, Willem van de Velde (II)
Date: circa 1670
Dimensions: 58.5 x 81 cm



Page 13: Two Children with a Cat, Judith Leyster
Date: circa 1630
Dimensions height 61 cm x width 52 cm
Credits: On loan from a private collection



Cover: Rough Sea with a Dutch Yacht under Sail, Ludolf Bakhuysen
Date: 1694
Dimensions: 37 x 46 cm
Credits: Dupper Wzn. Bequest, Dordrecht



Page 14: Cows in the Meadow, Gerard Bilders
Date: 1860 - 1865
Dimensions: 47 x 70 cm
Credits: J.B.A.M. Westerwoudt Bequest, Haarlem



Cover: The company of Captain Frans Banninck Cocq and Lieutenant Willem van Ruytenburch, known as 'The nightwatch', Rembrandt van Rijn
Date: 1642
Dimensions: 379.5 x 453.5 cm
Credits: On loan from the City of Amsterdam



Page 17: Portrait of a Woman, Probably Maria Trip (1619-1683), Rembrandt van Rijn
Date: 1639
Dimensions: 107 x 82 cm
Credits: On loan from the Familie Van Weede Stichting



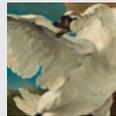
Cover: Dutch Ships Ramming Spanish Galleys near Calais, Hendrik Cornelisz. Vroom
Date: 1617
Dimensions: 118 x 151 cm



Page 18: Rembrandt as a Shepherd with a Staff and Flute, Govert Flinck
Date: circa 1636
Dimensions: 75.1 x 64.4 cm



Cover, p21: Ships at Anchor on the Coast, Willem van de Velde (II)
Date: circa 1660
Dimensions: 56.5 x 64 cm
Credits: On loan from the City of Amsterdam (A. van der Hoop Bequest)



Page 23: The Threatened Swan; Interpreted later as an Allegory on Johan de Witt, Jan Asselijn
Date: circa 1650
Dimensions: 144 x 171 cm



Page 10: Dahlias, Willem Hekking (I) and Willem Hekking jr.
Date: 1806 - 1904
Dimensions: 240 x 198 cm
Credits: Gift of A. Allebé, Amsterdam



Page 24: Young Italian Woman, with 'Puck' the Dog, Thérèse Schwartze
Date: circa 1885 - circa 1886
Dimensions: 144 x 103 cm
Credits: A.G. van Anrooy Bequest, Kampen



Page 27: Girl in a White Kimono, George Hendrik Breitner
 Date: 1894
 Dimensions: 59 x 57 cm
 Credits: Mr and Mrs Drucker-Fraser Bequest, Montreux



Page 37: Portrait of Oopjen Coppit, Rembrandt van Rijn
 Date: 1634
 Dimensions: 207.5 x 132 cm
 Credits: Joint acquisition by the Dutch State and the French Republic, collection Rijksmuseum/collection Musée du Louvre



Page 28: View of The Hague from the Delftse Vaart in the Seventeenth Century, Cornelis Springer
 Date: circa 1850 - circa 1852
 Dimensions: 48 x 58 cm
 Credits: Gift of J.H. Springer, Haarlem



Page 38: Still Life with Flowers in a Glass Vase, Jan Davidsz. de Heem
 Date: 1650 - 1683
 Dimensions: 54.5 x 36.5 cm
 Credits: On loan from the City of Amsterdam (A. van der Hoop Bequest)



Page 29: Phaëton, Hendrick Goltzius
 Date: 1588
 Dimensions: diameter 327 mm
 Credits: On loan from the City of Amsterdam



Page 41: La Corniche near Monaco, Claude Monet
 Date: 1884
 Dimensions: 75 x 94 cm
 Credits: Gift of M.C., Baroness van Lynden-van Pallandt, The Hague



Page 30: Rough Sea with Ships, Ludolf Bakhuysen
 Date: 1697
 Dimensions: 31.5 x 39 cm
 Credits: Purchased with the support of the Vereniging Rembrandt



Page 43: Portrait of a Girl Dressed in Blue, Johannes Verspronck
 Date: 1641
 Dimensions: 82 x 66.7 cm
 Credits: Purchased with the support of the Vereniging Rembrandt



Page 32: The Damrak - Amsterdam, George Hendrik Breitner
 Date: 1903
 Dimensions: 100 x 150 cm
 Credits: A. van Wezel Bequest, Amsterdam



Page 44: The Merry Family, Jan Havicksz. Steen
 Date: 1668
 Dimensions: 110.5 x 141 cm
 Credits: On loan from the City of Amsterdam (A. van der Hoop Bequest)



Page 36: Portrait of Marten Soolmans, Rembrandt van Rijn
 Date: 1634
 Dimensions: 207.5 x 132 cm
 Credits: Joint acquisition by the Dutch State and the French Republic, collection Rijksmuseum/collection Musée du Louvre



Page 47: Scarlet Ibis with an Egg, attributed to Dorothea Maria Gsell
 Date: 1699 - 1701
 Dimensions: 421 x 308 cm

The Rijksmuseum

One of the foremost art museums in the world, the Rijksmuseum ('national museum') is dedicated to Dutch arts and history. The museum's impressive building, opened in 1885, is the focal point of Amsterdam's *Museumkwartier* ('museum quarter') which also contains the famous Van Gogh Museum. After a ten-year renovation, in 2013 the main building was reopened and since a steady stream of over 2.5 million visitors annually can enjoy its extensive collection.

Collection

The Rijksmuseum was founded in The Hague in 1798, with the collection fitting in five rooms of the Huis ten Bosch palace. During the over 200 years since, the museum's collection has grown into one of the world's largest collections of Dutch Masters such as Frans Hals, Rembrandt, Jan Steen, Johanne Vermeer and Jacob van Ruisdael. Arguably

the most impressive part of the collection of 1 million objects is Rembrandt's masterpiece *De Nachtwacht* (the 'Night Watch'). Less familiar, but no less interesting is the royal crest from the stern of the HMS Royal Charles which was captured by the Dutch navy in the famously daring Raid on the Medway.

Research

Next to the extensive collection, the Rijksmuseum is also a leading international knowledge institute, known for the conservation, restoration, and academic study of art and historical artifacts. Through a fellowship program, the museum educates and inspires a new generation of museum professionals the world over. One current key research and conservation project is *Operation Night Watch*, the largest and most extensive study of this masterpiece ever undertaken.



Rijksmuseum Amsterdam

P.O. Box 74888

1070 DN Amsterdam

info@rijksmuseum.nl

+31 (0) 20 6747 000

Visiting address

Museumstraat 1

1071 XX Amsterdam

rijksmuseum.nl

Financial review

Revenue

During the Reporting Period, revenue of the Group amounted to HK\$9.6 million, representing a decrease of HK\$3.7 million, or approximately 28% as compared with HK\$13.3 million for the corresponding period of 2023. The decrease in revenue was primarily due to the decrease of the Group's revenue from funds and managed accounts that caused by the shifts in product mix over the period, which had the result of a decrease in the average revenue per unit of assets under management for the Reporting Period.

Gross profit and gross profit margin

Gross profit of the Group for the Reporting Period was HK\$8.6 million, representing a decrease of HK\$3.1 million or approximately 26% from HK\$11.7 million for the corresponding period of 2023. The decrease was primarily driven by a decrease in the average revenue per unit of assets under management for the Reporting Period.

General and administrative expenses

General and administrative expense of the Group for the Reporting Period amounted to HK\$57.9 million, representing a decrease of HK\$20.4 million or approximately 26% from HK\$78.3 million over the corresponding period of 2023. The decrease was mainly in staff cost, professional and administrative expenses as the Group proactively reviewed its operations and made adjustments where it was able to identify redundancies and opportunities for efficiency

gains. Given the cyclical nature of the opportunity set for the Group's investment approach, the Group focused on ensuring the business remains robust, efficient and focused on the Company's plans as outlined in the Prospectus, able to endure the current challenging part of the cycle and ready to take advantage of a potential turn in the cycle that would result in more favourable conditions.

Share of results of associate

Share of results of associate represents operating losses arising from principal business activities of the associate – Holland & Muh Investment Management Co., Ltd. ("**Holland & Muh**"). For the Reporting Period, share of loss of associate of the Group amounted to approximately HK\$576,000, representing an increased loss of HK\$372,000 or approximately 182% for the corresponding period of 2023. This was primarily due to the worsen business activity performance of Holland & Muh impacted by less favourable market conditions.

In October 2024, the Group disposed the entire interest in Holland & Muh to a third party for proceeds of Chinese Yuen Reminbi ("RMB") 1,022,776 (equivalent to approximately HK\$1,087,000 (received in December 2024). This transaction has resulted in the recognition of a loss of HK\$208,000 in profit or loss.

Capital True Partner Technology Co., Ltd. (“CTPT”) was the associate of the Group in the corresponding period of 2023. On 25 August 2023, CTPT was reclassified as assets held for sale accordingly, details of disposal of CTPT and the information of disposal agreement are set out on pages 41-42 – Material disposal of an associated company of the Company’s 2023 annual report. Completion of the disposal shall take place on the date after the parties have obtained all necessary permission, consent and/or approval required from any and all competent governmental authorities. It is contemplated that approval letters are required to be obtained from the Financial Supervisory Commission and the Ministry of Economic Affairs Investment Commission in Taiwan. As at 31 December 2024, the approval letter has yet to be received.

Finance costs

Finance costs mainly represent interest expense on lease liabilities. For the Reporting Period, finance cost of the Group amounted to approximately HK\$55,000, representing a decrease of HK\$67,000 or approximately 55% for the corresponding period of 2023. This was primarily due to rental interest expense.

Principal risks and uncertainties facing the Group

The Directors are aware that the Group is exposed to various types of principal risks and uncertainties as discussed below.

Foreign exchange risk

The Group’s income, cost of sales, administrative expenses, investment and borrowings are mainly denominated in HK\$, US\$, EUR, SGD, RMB and GBP. Fluctuations of the exchange rates of US\$ relative to HK\$ could affect the income and operating costs of the Group. Historically, such fluctuations have been very limited. The Linked Exchange Rate System (“LERS”) has been implemented in Hong Kong since 17 October 1983. Through a rigorous, robust and transparent Currency Board system, the LERS ensures that the Hong Kong dollar exchange rate remains stable within a band of HK\$7.75-7.85 to one US dollar. Fluctuations of the exchange rates of Euro, Singapore Dollar and British Pound could affect the operating costs of the Group, but not significantly considering the size of the Group’s operations in the Netherlands, Singapore and the UK. The RMB currency risk arises from deposit placed with broker in RMB accounts in relation to derivative transactions settled in RMB. The fluctuation of RMB is

recognized in revenue – net gain on derivatives, but the amount is not significant. Currencies other than Euro and British Pound were relatively stable during the Reporting Period. The Group currently does not have a foreign currency hedging policy. However, the management will continue to monitor foreign exchange exposure and will take prudent measures to minimise the currency translation risk. The Group will consider hedging significant foreign currencies should the need arise.

Credit Risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the Directors closely monitor the overall level of credit exposure, and the management is responsible for the determination of credit approvals and monitoring the implementation of the debt collection procedure to ensure that follow-up action is taken to recover overdue debts.

Liquidity, current ration, and capital structure

Fee income is the Group's main source of income, while other income sources include interest income generated from bank deposits. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operation and mitigate the effects of fluctuations in cash flow. As at 31 December 2024, the Group's balance sheet and cash flow positions remained stable, with a net cash balance of HK\$32.5 million and fixed bank deposit of HK\$112,000. The current ratio (current assets divided by current liabilities) of the Group was 7.15 times. The Group had no corporate bank borrowings. The Group's net cash is more than its net debts, therefore, no gearing ratios are presented as at 31 December 2024.

Capital structure

As at 31 December 2024, the Group's shareholders' equity and total number of shares issued were HK\$45.8 million and 400 million shares, respectively.

Charge on assets

As at 31 December 2024, the Group did not pledge any assets as collateral for overdrafts or other loan facilities.

Segment information

An analysis of the segment information for the Group is set out in note 5 to the consolidated financial statements.

Material investments, acquisitions and disposals of subsidiaries and associated companies

The Group has not made any material investments and acquisitions or disposals of subsidiaries and associated companies during the Reporting Period other than those in its ordinary course of business.

Future plan for material investments or capital assets

As at 31 December 2024, the Group had no specific plan for material investments or capital assets.

Contingent liabilities

As at 31 December 2024, the Group has no material contingent liabilities.

Events after the reporting period

To strengthen the liquidity position of the Company, the Company and True Partner International Limited (the “Subscriber”) entered into a subscription agreement dated 27 December

2024. True Partner International Limited is a substantial shareholder of the Company and a wholly owned subsidiary of DSS Financial Management, Inc., which in turn is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc., which in turn is 58.79% owned by Mr. Chan Heng Fai Ambrose, a substantial shareholder of the Company.

Pursuant to the subscription agreement, the Subscriber agreed to subscribe for, and the Company agreed to allot and issue, an aggregate of 19,500,000 subscription shares at the subscription price of HK\$0.400 per subscription share, representing approximately 4.65% of the enlarged issued shares of 419,500,000 shares immediately following completion of the subscription agreement. The total consideration is HK\$7.8 million. The net proceeds after deduction of relevant costs and expenses, is approximately HK\$7.3 million.

The net of proceeds will be used to cover expenses such as salaries, office administrative expenses, professional fees such as audit and legal fees and financial printing fees, and promotion, marketing and other general expenses.

Dividends

The Board does not recommend the payment of any dividend in respect of the year ended 31 December 2024 (2023: Nil).

Annual General Meeting and Closure of Register of Members

The Annual General Meeting is scheduled to be held on Tuesday, 13 May 2025. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 8 May 2025 to Tuesday, 13 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to attend and vote at the Annual General Meeting, unregistered holders of Shares should ensure that all Share transfer documents accompanied by the relevant share certificates must be lodged with the Share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 7 May 2025.

Human resources management

As at 31 December 2024, the Group had a total of 16 employees (2023: 25). Based on the Group's remuneration policy, the employees' remuneration is determined with reference to the experience and qualifications of the individual's performance.

The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs. The Group has also adopted a share option scheme to reward individual staff for their contribution to the Group.

Biographical Details of Directors and Senior Management

Executive Directors

Mr. Ralph Paul Johan VAN PUT (“Mr. van Put”),

aged 58, is the executive Director and chief executive officer of the Company. He is also a member of the Remuneration Committee and Nomination Committee of the Company. Mr. van Put joined the Group in May 2011 and is primarily in charge of the Group’s overall business development and management. He was appointed as the chairman of the Board on 16 March 2020. He is a director of several major subsidiaries of the Company.

Mr. van Put has over 30 years of experience in finance and particularly in proprietary trading. Mr. van Put has comprehensive knowledge in investment fund and trading technology and extensive experience in entrepreneurship. He is responsible for overseeing overall business development and day-to-day operations of the Group. The following table summarises Mr. van Put’s professional experience prior to joining the Group:

Name of company/institution	Principal business activities	Last position held	Responsibilities	Period of services
Sfiss Financial Technology B.V. (“SFT”) commercially known as AtomPro (acquired by Saen Options Holding B.V. in June 2007)	Trading software	Founder and chief executive officer	Developed option trading and risk management software	March 1995 to June 2007
Saen Options Holding B.V. (acquired by All Options International B.V. in March 2009)	Proprietary trading	Chairman and chief executive officer	Oversaw the overall business operations and expansion	September 1999 to June 2009
Saen Options Holding Hong Kong Ltd.	Proprietary trading	Chief executive officer (Asia Pacific)	Oversaw the overall business operations and expansion of proprietary trading business in Asian market	June 2008 to March 2009
All Options Hong Kong Limited	Derivative trading	Chief executive officer	Oversaw the overall business operations and expansion of proprietary trading business in Asian market	April 2009 to March 2011

Biographical details of directors and senior management

Prior to joining the Group, Mr. van Put founded and managed SFT, a technology company providing software and tools for market makers. Mr. van Put immersed himself into both technology and trading business by serving as a chief executive officer in both SFT and Saen Options. Leveraging his experience in developing option trading and risk management software in SFT and directing the expansion of proprietary trading business in Saen Options, he has led the development of the proprietary trading technology system for trading, execution, portfolio management and risk management purposes.

Mr. van Put has been an adjunct professor in the Department of Finance of the Chinese University of Hong Kong since April 2013 and an adjunct specialist professor in the Department of Finance of National Taiwan University from August 2012 to July 2016.

Mr. van Put obtained a bachelor's degree in Engineering from the School of Technology Inholland Alkmaar in the Netherlands in June 1991.

Mr. Godefriedus Jelte HEIJBOER (alias: Govert HEIJBOER) ("Mr. Heijboer"),

aged 49, is the executive Director and the co-chief investment officer of the Company. He is also a member of the Remuneration Committee and Nomination Committee of the Company. Mr. Heijboer joined the Group in May 2010 and is co-responsible for all trading and fund management and research activities of the Group. He is a director of various subsidiaries of the Company.

Mr. Heijboer has over 21 years of experience in the area of proprietary trading and quantitative research. Prior to joining the Group, from July 2003 to September 2008, Mr. Heijboer worked in Saen Options Holding B.V., a derivative trading company, as a researcher, trader and the head of derivatives trading. He was mainly responsible for derivative trading in the major European markets. From September 2008 to March 2009, Mr. Heijboer was the

head of trading in Saen Options Hong Kong Ltd. where he was responsible for managing trading activities. From April 2009 to January 2010, Mr. Heijboer was a senior trader in All Options Hong Kong Limited after All Options International B.V. acquired Saen Options Hong Kong Ltd. He was responsible for the trading activities in the Hong Kong office of All Options International B.V. With his diversified experience and knowledge across different trading areas, Mr. Heijboer's versatility offered immense value to the Group.

Mr. Heijboer obtained a master's degree in Applied Physics from University of Twente in the Netherlands in August 1998. In May 2003, Mr. Heijboer obtained a doctorate in Management Science from University of Twente.

Mr. Tobias Benjamin HEKSTER ("Mr. Hekster"),

aged 51, is the executive Director and the co-chief investment officer of the Company. Mr. Hekster joined the Group in August 2011 and is co-responsible for all trading and fund management and research activities of the Group. He is a director of various subsidiaries of the Company.

Mr. Hekster has over 27 years of experience in the area of proprietary trading. Prior to joining the Group, Mr. Hekster

worked for IMC, a large-scale proprietary trading firm and market maker, for an extended period of time. He was a market maker in IMC Trading BV from January 1998 to December 1999 and a special products trader in the same company from January 2000 to February 2004 where he was responsible for developing and trading arbitrage strategies. From March 2004 to December 2007, Mr. Hekster was a senior supervising trader in Holland Trading

House LLC (IMC Chicago), where he was involved in the development of an arbitrage strategy on a major American exchange-traded fund and managed its equity options trading operations. From February 2008 to February 2010, Mr. Hekster was a head of volatility arbitrage in IMC Asia Pacific Limited, one of the leading trading firms, where he was principally responsible for establishing a framework for high-frequency volatility arbitrage. In March 2010, Mr. Hekster founded and acted as a director of RVT Hong Kong Limited, a proprietary trading firm transacting equity index derivatives, where he developed trading strategy and infrastructure for dynamic volatility arbitrage

between the main Hong Kong equity indices.

Mr. Hekster was an adjunct specialist professor in the department of finance in National Taiwan University from August 2014 to July 2016 and an adjunct associate professor in the department of finance in the Chinese University of Hong Kong from October 2014 to October 2017.

Mr. Hekster obtained a master's degree in Economics from University of Groningen in the Netherlands in November 1996.

Mr. Roy VAN BAKEL ("Mr. van Bakel"),

aged 47, is the executive Director and the chief technology officer of the Company. Mr. van Bakel joined the Group in May 2010 and is responsible for overseeing the information technology and development departments. He is also a director of various subsidiaries of the Company.

Mr. van Bakel has over 22 years of experience in the area of proprietary trading and technology development. Prior to joining the Group, Mr. van Bakel worked at Sfis Financial Technology B.V., a company principally engaged in the development of trading software, as financial system developer from February 2002 to September 2006. Mr. van Bakel was a senior developer at Saen Options BV, a proprietary trading company, from October 2006 to May

2008 and worked as the head of software development and the chief technology officer of Saen Options Hong Kong Limited from June 2008 to March 2009. Mr. van Bakel became the senior developer of All Options Hong Kong Limited, a derivative trading company, from April 2009 to September 2009 after Saen Options Holding B.V. was acquired by All Options International B.V. in March 2009. Since October 2009, Mr. van Bakel has been the managing director of T8 Software Consulting, which became a wholly owned subsidiary of the Company on 19 May 2010.

Mr. van Bakel obtained his master's degree in Mathematical Sciences from the University of Twente in the Netherlands in February 2002.

Independent Non-executive Directors

Mr. Jeronimus Mattheus TIELMAN (alias: Jeroen TIELMAN) ("Mr. Tielman"),

aged 62, is an independent non-executive Director. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Tielman is responsible for supervising and providing independent advice to the Board. Mr. Tielman joined the Company in March 2020.

Mr. Tielman is the founder and managing partner in QStone Capital, a boutique established in March 2016 that develops investment opportunities in the global wastewater treatment market mainly in Bangladesh and in India. In addition, Mr. Tielman assists Amsterdam based Theta Blockchain Vetures in capacity of Head Institutional

Biographical details of directors and senior management

Relations. Prior the founding of QStone Capital, Mr. Tielman founded IMQubator funds and IMQ Investment Management B.V., an independent asset management company and institutional fund in January 2009. He worked as a chief executive officer in IMQ Investment Management B.V. where he designed and developed an incubator for international, hedge and private equity funds until December 2015.

Mr. Tielman worked in ABN AMRO from August 1986 to May 2000 where he last served as a senior vice president and global head product development of ABN AMRO Asset Management. He was responsible for the development of investment funds for institutional-private banking and the retail markets served by ABN AMRO Asset Management. In May 2000, Mr. Tielman founded FundPartners B.V., where he served as a chief executive officer and was responsible for overseeing its development of independent institutional investment

products until December 2004 when FundPartners was acquired by NIB Capital. Mr. Tielman worked as a director of pension business development in NIB Capital from January 2005 to January 2006 where he was involved with the development of pension business. From February 2006 to February 2008, he joined Cordares, a pension asset manager, as a managing director of commerce, strategy and innovation where he was responsible for coordinating the launch of new pension plan products and the introduction of alternative investment strategies. From April 2008 to December 2008, Mr. Tielman co-initiated the establishment of an international pension investment collaboration network and prepared the founding of IMQubator.

Mr. Tielman obtained a master's degree in Business Administration from the Erasmus University Rotterdam in the Netherlands in May 1986. He is a registered investment analyst in the Netherlands.

Ms. Wan Ting PAI (alias: Jasmine Pai) ("Pai"),

aged 41, is an independent non-executive Director. She is also the chairwomen of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Ms. Pai is responsible for supervising and providing independent advice to the Board. Ms. Pai joined the Company in March 2020.

Ms. Pai has over 18 years of experience in the area of auditing and financial and corporate management. Ms. Pai started her career at PricewaterhouseCoopers Taiwan from September 2006 to June 2009, where she held multiple roles as an auditor in IPO projects for listings on the Taiwan Stock Exchange. Ms. Pai was responsible for risk assessment of clients' going concern postulate and compliance. Her training and experience have equipped Ms. Pai with adaptability to engage in a wide variety of industries, amid fast paced business environments, where accounting principles and financial principles were subject to continuous changes. From

October 2010 to September 2012, Ms. Pai worked as a senior analyst and a manager of the operating audit and analysis division in Top Victory Electronics (Taiwan) Co., Ltd, a subsidiary of a previously listed electronics manufacturer on the Hong Kong Stock Exchange where she was responsible for reviewing group financial documents, conducting analysis and forecast. From October 2012 to May 2018, Ms. Pai joined Taiwan Mobile Co., Ltd., a listed company on the Taiwan Stock Exchange, as a senior financial analyst and financial controller where she was responsible for preparing and analysing financial reports of the subsidiaries. During her tenure with these listed companies, Ms. Pai led operational discussions across multiple regions and subsidiaries which prepared her as a manager and as a leader with the ability to build exceptional relationships within these firms, both between different locations as between different departments. In December 2018, Ms. Pai joined Molly & Hank Co., Ltd. (KidsAwesome Museum) as a

financial and administrative controller where she was responsible for the overall accounting and audit and the regulatory alignment until May 2021 when she became a partner CPA of Soul of Integrity CPAs Firm. Ms. Pai is an independent non-executive director of Far East Bio Tec. Co., Ltd. (TWSE: C6886) since December 2022.

During her career, Ms. Pai has developed the necessary accounting and financial management expertise and accumulated a wealth in knowledge and experience in various crucial aspects of finance and accounting: preparing, reviewing and analysing audited financial statements, providing strategic management of the

accounting and finance functions, directing accounting policies, procedures and internal controls, recommending improvements to safeguard the integrity of the Company's financial information, managing and overseeing the relationship with independent auditors, overseeing financial systems implementations and upgrades, identifying and managing business risks and insurance requirements.

Ms. Pai obtained a bachelor's degree in Business Administration from National Chengchi University in Taiwan in June 2006. She was admitted as a certified public accountant in Taiwan in 2012.

Mr. Ming Tak NGAI, (alias: Michael Ngai) ("Mr. Ngai"),

aged 57, is an independent non-executive Director. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Mr. Ngai is responsible for supervising and providing independent advice to the Board. Mr. Ngai joined the Company in March 2020.

Mr. Ngai is Chairman of The Red Group, Chairman of Asia GreenTech Fund, he has a wealth of experience in the international financial sector.

Mr. Ngai is also an external director of China COSCO Shipping Corporation, an independent non-executive director of CRRC Corporation Limited (HKSE: 1766, SHSE: 601766), an independent non-executive director of China Longyuan Power Group Corporation Limited (HKSE: 916, SZSE: 001289) and an independent non-executive director

of Sanergy Group Limited (HKSE: 2459). Mr. Ngai was an independent non-executive director of Smart Digital Technology Group Limited (formerly known as: Starlight Culture Entertainment Group Limited) (HKSE: 1159) from 31 May 2017 to 20 September 2023. Mr. Ngai was the President of Green Economy Development Limited (HKSE:1315) from 13 August 2021 to 21 March 2025.

Mr. Ngai is also a Member of the 12th, 13th and 14th National Committee of Chinese People's Political Consultative Conference ("CPPCC"); Chairman of the Hong Kong Finance Association; Council Chairman of City University of Hong Kong; Honorary Fellow of Lingnan University; Honorary Citizen of Harbin City, Heilongjiang Province.

Mr. Ngai graduated from University of Cambridge.

Please refer to the section headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or its associated corporations" for the Directors' interest in the share capital of the Company which would fall to be disclosed to the Company under the provisions in Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

Biographical details of directors and senior management

Senior management

Mr. Robert KAVANAGH (“Mr. Kavanagh”),

aged 43, is the Head of Investment Solutions of the Group. Mr. Kavanagh joined the Group in December 2019 and has over 20 years of experience in the investment management industry, focused on hedge funds. Prior to joining the Group, he was an executive director at Goldman Sachs Asset Management, where he spent 15

years within the Alternative Investments & Manager Selection (AIMS) group and its predecessor group between July 2004 and November 2019. Mr. Kavanagh obtained a First Class (Honours) BSc in Philosophy and Politics from the University of Bristol in the UK in 2004. Mr. Kavanagh is also a CFA charter holder.

Mr. Thorsten GRAGERT (“Mr. Gragert”),

aged 49, is the head of research and development of the Group and is responsible for leading the development of trading technology. Mr. Gragert joined the Group in July 2018 and has 26 years of experience in the area of proprietary trading and software development. Prior to joining the Group, Mr. Gragert was the chief technology officer in Sfiss Financial Technology B.V., which was acquired by Saen Options Holdings B.V. in 2006, from October 1997 to September 2006. Acquiring Sfiss Financial Technology B.V., a technology company providing software and tools for market makers, Saen Options Holdings B.V. became a more competitive market maker by combining the technology expertise with

trading expertise. Mr. Gragert was a master architect in All Options B.V. from April 2009 to May 2014 respectively. Mr. Gragert’s experience in Sfiss Financial Technology B.V., a technology company providing software and tools for market makers and Saen Options, a market making company focusing on proprietary trading, enhanced his capability and knowledge across different aspects of trading. From June 2014 to July 2018, Mr. Gragert was a senior quantitative analyst of ING Group, where he was responsible for developing and maintaining a calculation engine. Mr. Gragert obtained a master’s degree in Applied Mathematics from University of Twente in the Netherlands in December 1997.

Mr. Remco JANSSEN (“Mr. Janssen”),

aged 58, is the chief operating officer of the Group. Mr. Janssen is responsible for overseeing all operational aspects of the asset management activities. Mr. Janssen joined the Group in February 2012 and has 23 years of experience in software development. Prior to joining the Group, Mr. Janssen joined Generali Verzekeringsgroep NV as a software developer where he was responsible for the development of insurance policy management software from December 2001 to December 2002. Mr. Janssen

was a senior developer in Sfiss Financial Technology B.V., Saen Options B.V. from December 2002 to September 2006 and from October 2006 to May 2009 respectively. From June 2009 to January 2012, Mr. Janssen joined All Options (Chengdu) Co., Ltd as a senior developer where he managed a team with regard to asset management and trading software development. Mr. Janssen obtained a bachelor’s degree in Engineering from HAN University of Applied Sciences in the Netherlands in July 1988.

Mr. Edward Joseph DONNELLAN III (“Mr. Donnellan”),

aged 72, is the chief compliance officer of the Group who is responsible for regulatory and compliance matters. In January 2017, Mr. Donnellan was engaged by us as an independent compliance consultant on a part-time basis and subsequently joined the Group as chief compliance officer in July 2017. He has over 48 years of experience in the financial services profession. Prior to joining the Group, In September 1982, Mr. Donnellan joined Shatkin Trading Co. where he served in various capacities including being a director and vice president of its Chicago Mercantile Exchange office. Shatkin Trading Co. was acquired by LIT America, Inc and Mr. Donnellan was appointed as the senior vice president and general counsel from December 1987 to February 1990. In February 1990, Mr. Donnellan joined Sanwa Futures LLC, a global futures broker, as senior vice president and was appointed as president in March 1991.

He also served as executive vice president of its parent company, Sanwa Securities (USA) Co., L.P., a primary dealer in government securities. From April 1998 to July 1999, Mr. Donnellan was the president of Rock Island Company of

Chicago, Illinois, a holding company of two broker-dealer operating companies. From April 2000 to July 2002, Mr. Donnellan was a principal and management consultant at Spectrum Synergetic Systems LLC. Mr. Donnellan joined TJM Brokerage, Inc, a broker-dealer, and in March 2004, he co-founded the affiliate of TJM Brokerage, Three Zero Three Capital Partners LLC, as the managing principal. From June 2012 to March 2014, Mr. Donnellan was a senior vice president and chief compliance officer of ADM Investor Services, Inc, a futures clearing broker. From April 2014 to June 2017, Mr. Donnellan was a managing director and chief compliance officer at Mocho Trading LLC, a proprietary trading firm.

Mr. Donnellan obtained a degree of Bachelor of Arts in Liberal Arts and Sciences from the University of Illinois in May 1975 and a juris doctor degree from the John Marshall Law School in the United States in January 1982. Mr. Donnellan was admitted as a lawyer by the Supreme Court of Illinois in May 1982 and is authorised to practice law in Illinois, the USA.

Mr. Hendrikus Jan Koppe (“Mr. Koppe”),

aged 63, is the director of the Company’s Dutch subsidiaries. Mr. Koppe joined the Group in January 2021 and has an extensive track record of senior executive operational management roles within financial industry. Mr. Koppe has a financial and legal background and very broad experience in the areas of cash and derivatives trading, clearing, business continuity & crisis management, marketing, sales and project management within an international business environment. From May 1987 to October 2002, Mr. Koppe started as a Trainee in NLKKAS (Dutch Commodity Clearing) and was promoted to director after the creation of Euronext to lead all clearing operations in Amsterdam as branch manager for Clearnet S.A. (Cash, Commodities and Equity derivatives). From

October 2002 until September 2019, Mr. Koppe was a director in Euronext and was responsible for running the Euronext continental derivatives markets in Amsterdam, Paris, Brussels and Lisbon in index, equity, currency, commodity options & futures products. As the director of clearing services, Mr. Koppe was the leader for the strong development of OTC trading within the exchange, leading front and back offices, leading the introduction of derivatives protection legislation in the Netherlands, reintroduction of the daily gong-ceremony and the implementation of MIFID II transaction reporting services. Mr. Koppe was educated at the HES in Amsterdam and received a BSc in Business Administration and Economics.

Biographical details of directors and senior management

Ms. Hsing Chuan Yu (“Ms. Yu”),

aged 38, is the global chief financial officer of the Group and is responsible for the overall financial management of the Group. Ms. Yu joined the Group in January 2021. Ms Yu has over 16 years of experience in auditing and financial and corporate management. After receiving her BSc degree in accounting at National Taiwan University, Ms. Yu started her career as an auditor at PricewaterhouseCoopers from September 2008 to October 2015. In October 2016, after working as a financial controller at a pharmaceutical firm she continued her career as the assistant internal

audit manager of a Hong Kong listed company. Here she gathered extensive working experience with the Audit Committee of the Board of Directors and conducted operational and financial audit, Internal Controls and risk & compliance of business processes. From February 2020 to December 2020, she worked as a Senior Internal Auditor at a Euronext listed food processing machine manufacturer. Besides her BSc in accounting, Ms. Yu holds a MBA of the Rotterdam School of Management, Erasmus University in the Netherlands.

Ms. Kit Man WONG (alias: Doris Wong) (“Ms. Wong”),

aged 43, is the chief financial officer, Asian Pacific of the Group. Ms. Wong has over 21 years of experience in financial and accounting. From April 2003 to October 2003, Ms. Wong was an accounts clerk at International Credit Management Consultancy Limited, where she was mainly responsible for accounting and administration duty for business needs. From December 2003 to September 2011, Ms. Wong worked in Primasia Corporate Services Limited where she served as an accountant.

Ms. Wong joined the Group since September 2011 as an accountant and was later promoted to finance manager and subsequently chief financial officer of APAC region to cooperate with global chief financial officer in the Group’s financial administration. Ms. Wong obtained a bachelor’s degree in Business from the University of Technology, Sydney in October 2003. Ms. Wong was admitted as a member of Association of Chartered Certified Accountants in March 2013.

Company secretary

Ms. Yuet Chew Grace SIOW (“Ms. Siow”),

aged 58, is the company secretary of the Company responsible for the corporate secretarial functions of the Group. She is currently the director of corporate services of Tricor-Alpha Corporate Secretarial Services Limited, a member of Tricor Group. Ms. Siow has been an associate member of The Chartered Governance Institute (“CGI”) (formerly “The Institute of Chartered Secretaries and Administrators”) and The Hong Kong Institute of Company

Secretaries (“HKICS”) since 9 May 1994 and 1 August 1994, respectively. Ms. Siow was also awarded the Chartered Governance Professional qualification of CGI and the HKICS on 30 September 2018.

Ms. Siow obtained a Master of Business Administration from the University of Stirling in the United Kingdom.

Corporate governance report

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to report to the shareholders of the Company (the “**Shareholders**”)

Corporate governance culture and value

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that

Corporate governance practices

The Board is committed to maintaining high standards of corporate governance. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Board has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the GEM Listing Rules. To the best knowledge of the Directors, the Group has complied with all the

Directors’ securities transactions

The Company has adopted a code of conduct regarding Directors’ dealings in the Company’s securities (the “**Code of Conduct**”) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

on the corporate governance of the Company for the year ended 31 December 2024.

its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately; and
- compliance and ethical standard are set up as the core of the Company; and
- that the Company acts in the best interest of its clients.

applicable code provisions of the CG Code during the year ended 31 December 2024, except for the deviation from code provision C.2.1 of the CG Code, which is explained in the relevant paragraph of this report.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory requirements and regulations and the CG Code and align with the latest developments.

Special enquiry has been made to all the Directors and each of the Directors gave confirmation that he/she was in compliance with the Code of Conduct during the year ended 31 December 2024.

The Company has also established compliance written guidelines (the “**Compliance Written Guidelines**”) no less exacting than the Model Code for securities transactions by employees who, because of such office or employment, are likely

■ **Board of Directors**

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsible for promoting the Company’s success by directing and supervising the Company’s affairs. Directors takes decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business and regularly reviews the contribution required from

■ **Board Composition**

The Board currently comprises seven Directors, consisting of four executive Directors, namely Mr. Ralph Paul Johan van Put, Mr. Godefriedus Jelte Heijboer, Mr. Tobias Benjamin Hekster and Mr. Roy van Bakel and three independent non-executive Directors, namely Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai. Mr. Ralph Paul Johan van Put is the Chairman.

■ **Chairman and Chief Executive**

Code provision C.2.1 as set out in Appendix C1 to the GEM Listing Rules stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Mr. Ralph Paul Johan van Put currently holds the positions of the chairman of the Board and the chief executive officer of the Company. Mr. Ralph Paul Johan van Put has been the key leadership

to possess inside information in relation to the Company or its securities. No incident of non-compliance of the Compliance Written Guidelines by the employees was noted by the Company.

a Director to perform his/her responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Each of the Directors’ respective biographical details is set out in the section headed “Biographical Details of Directors and Senior Management” of this annual report. Save as disclosed in the aforesaid section, none of the Directors has any personal relationship (including financial, business, family or other material/relevant relationship) with any other Directors or any chief executives.

figure of the Group who has been primarily involved in the strategic development and determination of the overall direction of the Group. He has also been directly supervising the senior management of the Group. Taking into account of the above, the Directors consider that the vesting of the roles of chairman and chief executive officer in Mr. Ralph Paul Johan van Put provides a strong leadership to the Group and is beneficial and in the interests of the Company and its Shareholders as a whole. Therefore, the Directors consider that the deviation from the code provision C.2.1 of

the CG Code is appropriate in such circumstance. The Board will continue to review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company at a time

■ **Independent non-executive Directors**

During the year ended 31 December 2024, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

■ **Board Independence Evaluation**

The Company has established a Board Independence Evaluation Mechanism which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

■ **Appointment and Re-election of Directors**

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years and such letter of appointment may be terminated by either party giving at least one month's notice in writing. Also, the independent non-executive Directors are

when it is appropriate by taking into account the circumstances of the Group as a whole.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of Rule 5.09 of the GEM Listing Rules. The Company considers all independent non-executive Directors namely Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai fulfill the independence guidelines set out in the GEM Listing Rules.

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct annual review on its independence. The Board Independence Evaluation Report will be presented to the Board which will collectively discuss the results and the action plan for improvement, if appropriate.

During the year ended 31 December 2024, all Directors have completed the independence evaluation individually. The Board Independence Evaluation Report was presented to the Board and the evaluation results were satisfactory.

During the year ended 31 December 2024, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and the results were satisfactory.

subject to re-election on retirement by rotation at the annual general meeting in accordance with the Articles of Association of the Company.

All the Directors are subject to retirement by rotation and re-election at the annual general

meetings. Under the Articles of Association of the Company, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at

Responsibilities, Accountabilities and Contributions of the Directors and Management

The Board is entrusted with the overall responsibility for promoting the success of the Company by providing effective leadership and direction to its business; and ensuring transparency and accountability of its operations. The Board is responsible for all decision-making in respect of all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control systems, risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, change of Directors, ad hoc projects and other significant financial and operational matters. The Board has the full support of the management of the Group to discharge its responsibilities.

The day-to-day management, administration and operation of the Company are currently delegated to the executive Directors by the Board and the senior management of the Group. The delegated functions and work tasks are periodically reviewed.

Continuous professional development of the Directors

Pursuant to code provision C.1.4 of CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills as to ensure that their contribution to the Board remains informed and relevant.

least once every three years. The Company's Articles of Association also provides that all Directors appointed to fill a casual vacancy or as addition to the Board shall hold office until the first annual general meeting after appointment. The retiring Directors shall be eligible for re-election.

Approval has to be obtained from the Board prior to any significant transactions. All Directors have full and timely access to all relevant information of the Company, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each Director is able to seek independent advice in appropriate circumstances at the Company's expense, upon making request to the Board.

In addition, the Board has also delegated various responsibilities to the board committees of the Company. Further details of the board committees of the Company are set out below in this report.

The Company has arranged appropriate liability insurance coverage for all the Directors and officers of the Group, including company securities, employment practices, regulatory crisis event, investigation, litigation, tax liabilities and public relation, etc., which is reviewed by the Board on a regular basis.

Each newly appointed Director receives comprehensive, formal and tailored induction at time around the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the Group structure, Board and Board committee meetings procedures, business, management and operations of the Group, etc. and that he/she is fully

aware of his/her responsibilities and obligations under the GEM Listing Rules and applicable regulatory requirements.

Besides, the Company keeps circulating information and materials to develop and update Directors' knowledge and skills as and when appropriate. All the information and materials are relevant to the Group's business, the economy, corporate governance, rules and regulations, accounting, financial or professional skills and/or directors'

duties and responsibilities.

There are also arrangements in place for providing continuing briefing and professional development to each Director. All Directors are encouraged to attend relevant training courses at the Company's expense.

The individual training record of each Director received during the year ended 31 December 2024 is set out below:

Name of Directors	Attending training sessions on Directors' responsibilities and other related issues	Reading relevant materials on Directors' continuous responsibilities, corporate governance and other related issues
Executive Directors		
Mr. Ralph Paul Johan van Put	✓	✓
Mr. Godefriedus Jelte Heijboer	✓	✓
Mr. Tobias Benjamin Hekster	✓	✓
Mr. Roy van Bakel	✓	✓
Independent non-executive Directors		
Mr. Jeronimus Mattheus Tielman	✓	✓
Ms. Wan Ting Pai	✓	✓
Mr. Ming Tak Ngai	✓	✓

Board meetings

Regular Board meetings should be held at least four times a year at approximately quarterly intervals involving active participation, either in person or through electronic means of communication, of a majority of Directors. Notice of regular Board meetings is served to all Directors at least 14 days before the meeting. For other Board meetings, reasonable notice is generally given.

Agenda and accompanying Board papers in respect of regular Board meetings are sent out in full to all Directors within reasonable time before the meeting to keep Directors apprised of the latest

developments and financial position of the Company and to enable them to make informed decisions. All Directors are given opportunities to include matters in the agenda for Board and committee meetings. The Board and each Director also have separate and independent access to the senior management where necessary.

After the meeting, draft minutes are circulated to all Directors for comments. Minutes of Board meetings and committees' meeting are kept by the company secretary and are available for inspection by the Directors at all times.

Attendance records of Directors

The attendance records of each Director at the Board, Board committee and general meetings of the Company held during the year ended 31 December 2024 are set out in the table below:

Name of Directors	Attendance/Number of meetings				Annual General Meeting
	Board	Audit committee	Nomination Committee	Remuneration Committee	
Executive Directors					
Mr. Ralph Paul Johan van Put	4/4	2/2	1/1	2/2	1/1
Mr. Godefriedus Jelte Heijboer	4/4	2/2	1/1	2/2	1/1
Mr. Tobias Benjamin Hekster	4/4	N/A	N/A	N/A	1/1
Mr. Roy van Bakel	4/4	N/A	N/A	N/A	1/1
Independent non-executive Directors					
Mr. Jeronimus Mattheus Tielman	4/4	2/2	1/1	2/2	1/1
Ms. Wan Ting Pai	4/4	2/2	1/1	2/2	1/1
Mr. Ming Tak Ngai	4/4	2/2	1/1	2/2	1/1

The chairman of the Board also held two meetings with the independent non-executive Directors without the presence of other Directors during the year.

The independent non-executive Directors have attended general meetings of the Company to gain and develop a balanced understanding of the view of the Shareholders.

Board committees

To facilitate the work of the Board, the Board has established three Board committees to oversee specific aspects of the Group's affairs, namely the audit committee, remuneration committee and nomination committee. Each Board committee has its own terms of reference relating to its authority and duties, which have been approved by the Board and are reviewed periodically. The terms

of reference of each committee is available on the websites of the Company and the Stock Exchange.

Each Board committee has also been provided with sufficient resources to discharge its duties and, upon reasonable request, is able to seek independent profession advice in appropriate circumstances at the Group's expense.

Audit Committee

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with Rules 5.28 to 5.29 of

the GEM Listing Rules and D.3.3 and D.3.7 of the CG Code. The primary duties of the Audit Committee mainly include (i) making recommendations to the

Board on the appointment and removal of external auditors; (ii) reviewing and supervising the financial statements and material advice in respect of financial reporting; (iii) overseeing internal control procedures; (iv) supervising internal control and risk management systems of the Group; (v) monitoring continuing connected transactions (if any); and (vi) reviewing arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee currently consists of three members, all three independent non-executive Directors, namely Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai. Ms. Wan Ting Pai, who possesses the appropriate professional qualifications as required under Rule 5.05(2) of the

Remuneration Committee

The Company established a remuneration committee (the “**Remuneration Committee**”) with written terms of reference in compliance with Rules 5.34 to 5.36 of the GEM Listing Rules and E.1.2 of the CG Code. The primary duties of the Remuneration Committee include (i) reviewing and making recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; (ii) reviewing other remuneration-related matters, including benefits-in-kind and other compensation payable to the Directors and senior management; and (iii) reviewing performance-based remunerations and establishing a formal and transparent procedure for developing policy in relation to remuneration to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The Remuneration Committee currently consists of two executive Directors, namely Mr. Ralph Paul Johan van Put and Mr. Godefriedus Jelte Heijboer

GEM Listing Rules, is the chairwoman of the Audit Committee.

The Audit Committee held two meetings to review, in respect of the year ended 31 December 2024, the interim and annual financial results and reports and significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems, appointment of external auditors and engagement of non-audit services and relevant scope of works and arrangements for employees to raise concerns about possible improprieties.

The Audit Committee also met the external auditors once without the presence of the executive Directors.

and three independent non-executive Directors, namely Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai. Ms. Wan Ting Pai is the chairwoman of the Remuneration Committee. Details of the remuneration of Directors are set out in note 9 to the consolidated financial statements.

During the year ended 31 December 2024, the Remuneration Committee held two meetings to review the policy and the structure for the remuneration of all Directors and senior management and make recommendations to the Board on the remuneration packages of the Directors and senior management.

Pursuant to the code provision E.1.5 of the CG Code, the remuneration of the senior management (excluding executive Directors), whose biographical details are included in section headed “Biographical Details of Directors and Senior Management” of this annual report by band for the year ended 31 December 2024 is set out below:

Remuneration Band	Number of Individuals
Nil to HK\$1,000,000	1
HK\$1,000,001 to HK\$3,000,000	5
HK\$3,000,001 to HK\$5,000,000	1

The Company’s remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company’s affairs. The remuneration packages of executive Directors are also determined with reference to the Company’s performance and profitability, the experience, responsibility, workload and the contribution of each Executive Director. The remuneration for the executive Directors comprises basic salary and allowances, pensions and discretionary bonus. The remuneration policy for independent non-executive

Directors is to ensure that independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company’s affairs, including their participation in Board committees. The remuneration for the independent non-executive Directors mainly comprises Director’s fee which is determined with reference to their duties and responsibilities by the Board. Independent non-executive Directors shall not receive options to be granted under the Company’s share option scheme. Individual Directors and senior management have not been involved in deciding their own remuneration.

Nomination Committee

The Group established a nomination committee (the “**Nomination Committee**”) with written terms of reference in compliance with B.3.1 of the CG Code. The primary duties of the Nomination Committee mainly include, (i) reviewing the structure, size and composition of the Board annually; (ii) developing and formulating relevant procedures for the nomination and appointment of Directors (iii) assessing the independence of the independent non-executive Directors; (iv) making recommendations to the Board on the appointment and succession planning of Directors; (v) reviewing the Board diversity policy (the “**Board Diversity Policy**”) and Director nomination policy (the “**Director Nomination Policy**”); and (vi) identifying individuals suitably qualified to become Board members and making recommendations to the Board to fill vacancies.

The Nomination Committee currently consists of two executive Directors, namely Mr. Ralph Paul Johan van Put and Mr. Godefriedus Jelte Heijboer

and three independent non-executive Directors, namely Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai. Ms. Wan Ting Pai is the chairwoman of the Nomination Committee.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company’s Board Diversity Policy. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate’s relevant criteria as set out in the Director Nomination Policy that are necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

During the year ended 31 December 2024, the Nomination Committee held one meeting to review the structure, size and composition of the Board and the independence of the independent non-executive Directors, and to consider the qualifications of the retiring Directors standing for re-election at the forthcoming annual general

meeting of the Company, to review the Board Diversity Policy and Director Nomination Policy. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained.

■ Director Nomination Policy

The Board has adopted a Director nomination procedure (the “**Director Nomination Procedure**”) which sets out the selection criteria, nomination process and Board succession planning considerations for identifying and recommending candidates for election to the Board in order to ensure that the Board has a balance of

skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The nomination process set out in the Director Nomination Policy is as follows:

■ Appointment of new Director

- (i) The Nomination Committee and the Board may select candidates for directorship from various channels, including but not limited to internal promotion, shareholder’s proposal, re-designation, referral by other member of the management and external recruitment agents.
- (ii) The Nomination Committee and the Board should, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (iii) If the process yields one or more desirable candidates, the Nomination Committee and the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iv) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- (v) If a shareholder of the Company wishes to propose a person (the “**Candidate**”) for election as a Director of the Company at the general meeting, he/she shall deposit a written notice (the “**Notice**”) at the Company’s head office and principal place of business in Hong Kong. The Notice (i) must include the personal information of the Candidate as required by Rule 17.50(2) of the GEM Listing Rules; and (ii) must be signed by the shareholder concerned and signed by the Candidate indicating his/her willingness to be elected and consent of publication of his/her personal information.
- (vi) For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee and the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and the Board should make recommendation to

Re-election of Director at general meeting

- (i) The Nomination Committee and the Board should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.
- (ii) The Nomination Committee and the Board should also review and determine whether the retiring Director continues to meet the criteria as set out above.
- (iii) The Nomination Committee and the Board should then make recommendation to Shareholders in respect of the proposed re-election of Director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

Pursuant to the Director Nomination Policy, when making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- (a) reputation for integrity;
- (b) accomplishment, experience and reputation in

Board Diversity Policy

The Board has adopted the Board Diversity Policy which sets out the approach to achieve diversity of the Board and is available on the website of the Company. Pursuant to the Board Diversity Policy,

Shareholders in respect of the proposed election of Director at the general meeting.

- the relevant industry and other relevant sectors;
- (c) commitment in respect of sufficient time, interest and attention to the Company's business;
- (d) diversity in all aspects, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge;
- (e) the ability to assist and support management and make significant contributions to the Company's success;
- (f) compliance with the criteria of independence as prescribed under Rule 5.09 of the GEM Listing Rules for the appointment of an independent non-executive Director; and
- (g) any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.

During the year ended 31 December 2024, the Directors re-elected were subject to a stringent nomination process in accordance with the Director Nomination Policy and the Board Diversity Policy, to ensure the Board possesses the necessary skills, experience and knowledge in alignment with the Company's strategy.

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

the Nomination Committee reviews regularly the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's

corporate strategy and to ensure that the Board maintains a balanced diverse profile. In relation to reviewing and assessing the Board composition, the Company considers diversity of Board members to be achieved through consideration of a number of aspects, including but not limited to, gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments are based on merit, and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board

downwards) are appropriately structured so that a diverse range of candidates are considered.

For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were adopted to develop a pipeline of potential successors to the board to achieve gender diversity

- At least one of members of the Board shall be female.
- At least one-third of the members of the Board shall be independent non-executive Directors.
- At least one of the members of the Board shall have obtained accounting or other professional qualifications.
- At least one of the members of the Board shall have China-related work experience.

An analysis of the Board's current composition based on the measurable objectives is set out below:

Gender	Male	6
	Female	1
Age Group	31-40	0
	41-50	3
	51-60	3
	61-70	1
Designation	Executive Directors	4
	Non-executive Directors	0
	Independent Non-executive Directors	3
Educational Background	Doctorate in Management Science	1
	Economics and Business Administration	2
	Account and Finance	1
	Engineering	1
	Mathematical Sciences	1
	Other	1
Nationality	Dutch	5
	Chinese	2
Business Experience	Experience Related to the Company's Business	5
	Experience Related to Accounting & Finance	1
	China-related work experience	1

The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the Board Diversity Policy.

The Nomination Committee shall review the policy and measurable objective at least annually, and as appropriate, to ensure the continued effectiveness of the Board.

Gender Diversity

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including

the Board and senior management as at the date of this annual report:

	Female	Male
Board	14%	86%
Senior management	18%	82%
Other employees	60%	40%
Overall workforce	31%	69%

The Board had targeted to achieve and had achieved at least one female Director and considers that the above current gender diversity is satisfactory.

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report on pages 99 to 134 of this annual report.

Risk Committee

The Company established a risk committee (the “**Risk Committee**”) on 19 December 2019. The primary duties of the Risk Committee are to identify the risk, quantify and assess the potential impact brought by the risk, evaluate and report risk; consider any mitigating factors; report the risk and direct timely action to manage those risks to which the Group and its clients are exposed.

assess policies and any risk occurrences, and meets when facts and circumstances warrant. During the year ended 31 December 2024, the Risk Committee held two meetings. In the meetings, the members reviewed, discussed and/or approved the issues and policy related to:

As at 31 December 2024, the Risk Committee comprises Mr. Hendrikus Jan Koppe, Mr. Thorsten Gragert, Mr. Godefriedus Jelte Heijboer, Mr. Tobias Benjamin Hekster, Mr. Robert Kavanagh and Mr. Remco Janssen. The Risk Committee is chaired by Mr. Hendrikus Jan Koppe.

- a. the Group’s risk management policy and Internal Control Assessment;
- b. regular assessments on major risks;
- c. investment, operation, counterparty, market and liquidity risk management;
- d. environmental, social and governance (“**ESG**”) risks and mitigation with the updated Group ESG Policy; and
- e. IT security and updated Business Continuity and Disaster Recovery Plan (“**BCP**”).

The Risk Committee meets on an annual basis to

Risk management and internal control

The Board has overall responsibility for maintaining effective and proper risk management and internal control systems and reviewing their effectiveness. Such systems are designed to identify, evaluate and manage risk exposures that may affect the efficiency and effectiveness of the Group's operations and provide reasonable assurance but not absolute assurance against material misstatement, rather than to eliminate the risk of failure to achieve business objectives, safeguard assets against unauthorised use or disposition and ensure proper maintenance of books and records for the provision of reliable financial information for public or internal use.

The management is primarily in charge of designing, implementing and monitoring the risk management and internal control systems. The Board is responsible for evaluating and determining the nature and extent of the risks that the Group is willing to take in achieving its strategic objectives, and overseeing the management in the design, implementation and monitoring of the risk management and internal control systems.

The Group has engaged external independent professional for providing the internal audit function and performing independent review of the adequacy and effectiveness of the internal control systems annually, including reviewing guidelines and policies which are implemented throughout our operation, and risk management practices with an aim to, among other matters, improve our Group's corporate governance. The external independent professional is also responsible for providing its findings and any recommendations, in respect of enhancing the Group's systems as appropriate, to the Audit Committee. Based on the findings and comments

by the external independent professional and the Audit Committee, the Board considered the internal control and risk management systems effective and adequate.

In terms of management of credit risk, the Board has adopted credit risk management policies and procedures by monitoring the implementation of the debt collection procedure to ensure that follow-up action is taken to recover overdue debts. In terms of management of liquidity risk, the Board has adopted liquidity risk management policies and procedures by monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance our operations and mitigate the effects of fluctuations in cash flows.

The Group has established internal control procedures which provide the Board and employees with guidelines on assessing, reporting and disseminating inside information. In addition, inside information is disseminated to relevant personnel on a need-to-know basis, and the Group will review the existing policy and practice from time to time to ensure full compliance with the regulatory requirements.

The Group has no internal audit function currently. The Board has reviewed the need for an internal audit function and is of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit functions for the Group. Nevertheless, the Board will continue to review at least annually the need for an internal audit function.

The Company has in place the Whistleblowing Policy and system for employees of the Company

and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company.

The Company has also in place the Anti-Corruption Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports to the Chief Compliance Officer, who is responsible for investigating the reported incidents and taking appropriate measures. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organises anti-corruption

■ Corporate governance functions

The Board is responsible for performing the corporate governance duties as set out in the code provision A.2.1 of the CG Code.

During the year, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management,

■ Directors' responsibility for the consolidated financial statements

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group and ensure that the consolidated financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the financial statements are published in a timely manner in accordance with the applicable laws and regulations.

The Directors have prepared the financial statements in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used

training and inspections to ensure the effectiveness of anti-corruption and anti-bribery.

During the year ended 31 December 2024, the Company held one anti-corruption training to all employees. There were no non-compliance cases in relation to bribery and corruption.

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of Rules 5.48 to 5.67 of GEM Listing Rules on Securities Transaction, Code of Conduct, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The statement of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report as annexed to this annual report.

Auditor's remuneration

During the year ended 31 December 2024, the total fees paid/payable in respect of audit services and non-audit services provided by the Company's

external auditor, PKF Hong Kong Limited, are set out below:

Nature of service	Fees Paid/Payable HK\$'000
Audit Services	1,100
Tax services	36
	<u>1,136</u>

Company secretary

Ms. Siow Grace Yuet Chew of Tricor Services Limited, which is an external service provider, has been engaged by the Company as its company secretary. The primary contact person at the Company is Mr. Godefriedus Jelte Heijboer, our Executive Director.

hours of relevant professional training in compliance with Rule 5.15 of the GEM Listing Rules.

During the year ended 31 December 2024, Ms. Siow has confirmed that she has taken no less than 15

The biographical information of Ms. Siow is set out in the section headed "Biographical Details of Directors and Senior Management" of this annual report.

Dividend Policy

The Company has adopted a Dividend Policy on payment of dividends. The Company does not have any pre-determined dividend payout ratio. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board

during a financial year and any final dividend for a financial year will be subject to the Shareholders' approval. Such details have been disclosed in the section headed "Director's Report" in this annual report.

Shareholders' rights

Convening of extraordinary general meeting and putting forward proposals

Pursuant to article 64 of the Articles of Association of the Company, the Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, on a one vote per share basis, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the secretary for the purpose of requiring an extraordinary general meeting

to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting forward enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal

with verbal or anonymous enquiries.

Contact Details

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

Address: Suite A123, 16/F, Tower 5, The Gateway, Harbour City, Kowloon, Hong Kong (For the attention of the Board of Directors)

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

Website: <https://www.truepartnercapital.com/contact>

Investor relations

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business, performance and strategies. The Board strives to maintain on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. The general meetings

of the Company provide a forum for communication between the Board and the Shareholders. Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

To safeguard Shareholders' interests and rights, a separate resolution is proposed for each substantially

separate issue at general meetings, including the election of individual Directors. All resolutions put forward at general meetings will be voted on by poll

Shareholders' Communication Policy

The Company has in place a Shareholders' Communication Policy. The policy aims at promoting effective communication with Shareholders and other stakeholders, encouraging Shareholders to engage actively with the Company and enabling Shareholders to exercise their rights as Shareholders effectively. The Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy and the results were satisfactory.

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

(a) Corporate Communication

"Corporate Communication" as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors' report, annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company will be published on its website (www.truepartnercapital.com) and the Stock Exchange's website (www.hkex.com.hk) in a timely manner as required by the Listing Rules. A notice of publication of the website version of Corporate Communications, in both English and Chinese, will be sent by the Company to Shareholders by email or by post (only if the Company does not possess the functional email address of a Shareholder) on the publication date of the Corporate Communications.

pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange after each general meeting.

For those Shareholders who wish to receive a printed version of all future Corporate Communications or, if for any reason, have difficulty in gaining access to the Company's website, the Company will, upon receipt of request in writing by the Shareholder to the Company's branch share registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or by email to truepartner-ecom@vistra.com, send future Corporate Communications and/or the relevant Corporate Communications (as the case may be) to such Shareholders in printed form free of charge.

(b) Announcements and other documents pursuant to the Listing Rules

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Memorandum and Articles of Association) on the Stock Exchange's website in a timely manner in accordance with the Listing Rules.

(c) Corporate website

Any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website (www.truepartnercapital.com) immediately thereafter.

(d) Shareholders' meetings

The annual general meeting and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders

to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the chairman of the Board and other Board members, the chairmen of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders' questions (if any). The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.

(e) Shareholders' enquiries

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar, Tricor Investor Services Limited, via its online holding enquiry service

at <https://srhk.vistra.com>, or send email to is-enquiries@vistra.com or call its hotline at 2980 1333, or go in person to its public counter at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(f) Investment market communications

Investor/analysts briefings and one-on-one meetings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be available on a regular basis on the Company's website in order to facilitate communication between the Company, Shareholders and the investment community.

(g) Shareholders' Privacy

The Company recognises the importance of Shareholders' privacy and will not disclose Shareholders' information without their consent, unless required by law to do so.

Constitutional documents

During the year ended 31 December 2024, the Company has not made any changes to its Memorandum and Articles of Association.

An up-to-date version of the Company's Memorandum and Articles of Association is available on the Company's website and the Stock Exchange's website.

Director's Report

The Directors are pleased to present this report and the audited consolidated financial statements of the Group for the year ended 31 December 2024.

Principal activities

The Company is an investment holding company. The Group is principally engaged in fund management business and providing consultancy services. The activities of its principal subsidiaries of the Company are set out in note 33 to the consolidated financial statements.

Business review

The business review of the Group for the year ended 31 December 2024 is set out in the sections headed "Chairman's Letter" and "Management Discussion and Analysis" of this annual report.

The Group complies with the requirements under the Companies Ordinance, the GEM Listing Rules and the SFO for the disclosure of information and corporate governance.

Results and dividends

The results of the Group for the year ended 31 December 2024 are set out in the consolidated statement of profit or loss and other comprehensive income on page 140 of this annual report.

No interim dividend was paid during the year ended 31 December 2024. The Board has resolved not to recommend payment of any

final dividend for the year ended 31 December 2024. (2023: Nil)

Financial summary

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 197 in this annual report. This summary does not form part of the consolidated financial statements.

Revenue and segment information

The revenue and segment information for the year ended 31 December 2024 are set out in note 5 to the consolidated financial statements.

Plant and equipment

Details of movements in the plant and equipment of the Group during the year ended 31 December 2024 are set out in note 14 to the consolidated financial statements.

Major customers and suppliers

During the year ended 31 December 2024, revenue derived from the Group's five largest customers accounted for approximately 80.4% (2023: 93.3%) of the Group's total sales and the largest customer included therein amounted to approximately 24.4% (2023: 54.7%).

During the year ended 31 December 2024, purchases from the Group's five largest suppliers accounted for approximately 23.6% (2023: 38.1%) of the Group's total purchases and purchase from the largest supplier included therein amounted to approximately 9.2% (2023: 15.7%).

None of the Directors, or any of their associates or any Shareholders which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers.

Share capital and share options schemes

Details of the Company's share capital and share option schemes are set out in notes 25 and 34 to the consolidated financial statements respectively.

Share option schemes

Pre-IPO Share Option Scheme

The Company has conditionally adopted a Pre-IPO Share Option Scheme pursuant to the written resolutions of all shareholders passed on 13 February 2020 which all options were granted on 14 February 2020, prior to the Listing Date (the "**Pre-IPO Share Option Scheme**").

The Pre-IPO Share Option Scheme is valid and effective for only a period of 2 years commencing on the date that the Company is listed on the Stock Exchange (the "**Listing Date**") and thus has expired on 16 April 2023. 7,947,488 share options has lapsed during the year ended 31 December 2023.

Share Option Scheme

The Company has also conditionally adopted a share option scheme (the "**Share Option Scheme**") pursuant to the written resolutions of all shareholders passed on 22 September 2020. The conditions of which have been fulfilled. The Share Option Scheme shall be valid and effective for the period of ten years commencing on 22 September 2020, being the date on which the Share Option Scheme was adopted. As at the date of this report, there is remaining life of over 5 years of the Share Option Scheme. Since the date of adoption to 31 December 2024, no share option was granted, exercised, outstanding, cancelled or lapsed under the Share Option Scheme.

The purpose of the Share Option Scheme

The Share Option Scheme is a share incentive scheme and is established to enable the Company to grant options to the Eligible Participants (as defined below) as incentives or rewards for their contribution to the Group.

The participants of the Share Option Scheme

Under the Share Option Scheme, the Board may, at its discretion, make an offer to any person belonging to the following classes of participants (the "**Eligible Participants**") share options to subscribe for shares of the Company:

- (i) any employee or proposed employee (whether full time or part time, including any executive director), consultants or advisers of or to the Company, any subsidiary or any entity (the “**Invested Entity**”) in which any member of the Group holds any equity interest;
- (ii) any non-executive director (including independent non-executive directors) of the Company, any subsidiary or any Invested Entity;
- (iii) any supplier of goods or services to any member of the Group or any Invested Entity;
- (iv) any customer of any member of our Group or any Invested Entity;
- (v) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; and
- (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity; for the purposes of the Share Option Scheme, the offer may be made to any company wholly owned by one or more Eligible Participants.

The total number of Shares available for issue under the Share Option Scheme

The total number of shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in

aggregate exceed 10% of the shares in issue at the time dealings in the shares first commence on the Stock Exchange, i.e. 40,000,000, representing 10.0% of the then total issued Shares immediately before the adoption of the Share Option Scheme.

The maximum entitlement of each participant under the Share Option Scheme

Subject to certain circumstances relating to the grant of options to a substantial shareholder, an independent non-executive director or any of their respective associates, the total number of Shares issued which may fall to be issued upon exercise of the options and the options granted under any other share option scheme of our Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Where any further grant of options to a grantee under the Share Option Scheme would result in the Shares allotted and issued and to be allotted and issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of the Group in the 12 month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such grantee and his close associates (or his associates if such grantee is a connected person (as defined in the GEM Listing Rules) abstaining from voting.

The period within which the Shares must be taken up under an option

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted under the Share Option Scheme.

The minimum period for which an option must be held before it can be exercised

Unless otherwise determined by our Directors and stated in the offer to a grantee, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before the exercise of an option granted to him.

The amount, if any, payable on application or acceptance of option and the period within which payments or calls must or may be made or loans for such purposes must be repaid

An offer shall have been accepted by an Eligible Participant with a remittance in favour of the Company of HK\$1 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 21 days from the offer date).

The basis of determining the exercise price

The subscription price in respect of any option shall be at the discretion of the Directors,

provided that it shall not be less than the highest of:

- (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the offer date;
- (b) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the offer date; and
- (c) the nominal value of the Share.

No share option has been granted under the Share Option Scheme since its adoption. Accordingly, as at the date of this annual report, there was no share option outstanding under the Share Option Scheme.

Pre-emptive rights

There is no provision for pre-emptive rights under the Company's articles of association although there are no restrictions against such rights under the Companies Law in the Cayman Islands.

Related party transactions and connected transactions

Details of the significant related party and connected transactions entered into by the Group during the year ended 31 December

2024 are set out in note 28 to the consolidated financial statements. To the best knowledge of the Directors, none of these related party transactions constitutes connected transactions that need to be disclosed under the GEM Listing Rules.

Distributable Reserves

As at 31 December 2024, the Company has no distributable reserves for distribution to shareholders of the Company.

Directors

The Directors during the year ended 31 December 2024 and up to the date of this annual report are as follows:

Executive Directors

Mr. Ralph Paul Johan van Put
(Chairman and Chief Executive Officer)
Mr. Godefriedus Jelte Heijboer
Mr. Tobias Benjamin Hekster
Mr. Roy van Bakel

Independent Non-executive Directors

Mr. Jeronimus Mattheus Tielman
Ms. Wan Ting Pai
Mr. Ming Tak Ngai

Pursuant to article 108 of the articles of association of the Company, Ms. Wan Ting Pai, Mr. Mr. Ming Tak Ngai and Mr. Ralph Paul Johan van Put shall retire from office as Directors by

rotation at the annual general meeting and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Directors' and senior management's biographies

Biographical details of the Directors and senior management of the Group are set out in the section of "Biographical Details of the Directors and Senior Management" of this annual report.

Independence confirmation

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all of the independent non-executive Directors are independent.

Directors' service contracts

Each of the executive Directors currently in office has entered into a service contract with the Company for an initial fixed term of three years commencing from the Listing Date and shall continue unless terminated by not less than three months' notice in writing or by payment in lieu of notice served by either party on the other. None of the Directors has a service contract with the Company that is not determinable within one year without payment of compensation (other than statutory compensation).

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for an initial term of three years commencing on 16 March 2020 and may be terminated by not less than one month's notice in writing served by either party on the other.

The term of service of a Director is subject to retirement by rotation of Directors as set out in the articles of association of the Company.

Interests in competing business

None of the Directors or the substantial Shareholders (as defined in the GEM Listing Rules) of the Company (the "**Substantial Shareholders**") or their respective close associates (as defined in the GEM Listing Rules) has interests in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group and any other conflicts of interest which any such person has or may have with the Group during the year ended 31 December 2024 and up to the date of this annual report.

Emolument policy

The emoluments of the Directors are prepared by the Remuneration Committee and then reviewed by the Board, having regard to the Group's operating results, individual performance and comparable market statistics.

All the emolument of Directors has been reviewed and ratified by the Remuneration Committee.

Details of the emoluments of the Directors and the remuneration band are set out in note 9 to the consolidated financial statements of this annual report.

The Group has adopted share option schemes as an incentive to eligible employees. Details of the share option scheme of the Group are set out in note 34 to the consolidated financial statements.

Emoluments of directors and five highest paid individuals

The Directors' fees and remuneration and the emoluments of the five highest-paid individuals are disclosed in notes 9 and 10 to the consolidated financial statements. The emoluments of the Directors are determined with regard to their duties and responsibilities, the Company's performance, prevailing market conditions and after considering the market emoluments for directors of other listed companies.

Retirement benefit schemes

The Group makes contributions to defined contribution retirement benefit schemes for its employees in the United States, the United Kingdom and Hong Kong. Contributions are

made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the respective schemes.

Directors' material interests in transactions, arrangements or contracts of significance

Save as those disclosed in note 28 to the consolidated financial statements, there were no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company's or any of its subsidiaries was a party, and in which a Director or its connected entities had a material interest (whether directly or indirectly) subsisting at the end of the year or at any time during the year ended 31 December 2024 under Chapter 20 of the GEM Listing Rules.

Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company or its associated corporations

As at 31 December 2024, the interests or short positions of the Directors and chief executives of the Company in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")), which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO

Management contracts

During the year ended 31 December 2024, the Company did not enter into or have any management and administration contracts in respect of the whole or any principal business of the Company.

Directors' rights to acquire shares and debentures

At no time during the Reporting Period and up to the date of this report was the Company, its subsidiaries, its fellow subsidiaries or its holding companies a party to any arrangement which would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

(including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Director's Report

Long Positions in the Shares

Name of Director/ Chief Executives	Capacity/Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Tobias Benjamin Hekster	Beneficial owner	59,049,018	14.76%
Godefriedus Jelte Heijboer	Beneficial owner	56,055,644	14.01%
Ralph Paul Johan van Put ⁽¹⁾	Interest in a controlled corporation	58,337,399	14.58%
Roy van Bakel	Beneficial owener	27,686,280	6.92%

Notes:

(1) The Shares were held by True Partner Participation Limited. True Partner Participation Limited is wholly owned by Mr. Ralph Paul Johan van Put. Mr. Ralph

Paul Johan van Put is deemed to be interested in all the Shares held by True Partner Participation Limited under the SFO.

Save as disclosed above, as at 31 December 2024, none of the Directors nor chief executives of the Company had or was deemed to have any other interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and

8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) to be recorded in the register required to be kept under Section 352 of the SFO; or (c) as otherwise to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial shareholders' interests and short positions in the shares, underlying shares or debentures of the Company

So far as is known to the Directors, as at 31 December 2024, the following persons/entities (other than Directors or chief executive of the Company) had, or were deemed to have, interests or short positions (directly or indirectly) in the Shares or underlying shares

of the Company that would fall to be disclosed to the Company and the Stock Exchange under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long Positions in the Shares

Name of shareholders	Capacity/Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Franca Kurpershoek-Hekster ⁽¹⁾	Interest of spouse	59,049,018	14.76%
Wong Rosa Maria ⁽²⁾	Interest of spouse	56,055,644	14.01%
True Partner Participation Limited	Beneficial owner	58,337,399	14.58%
Kung Yun Ching ⁽³⁾	Interest of spouse	58,337,399	14.58%
True Partner International Limited ⁽⁴⁾	Beneficial owner	62,336,908	15.58%
DSS Financial Management, Inc. ⁽⁴⁾	Interest in a controlled corporation	62,336,908	15.58%
DSS Securities, Inc. ⁽⁴⁾	Interest in a controlled corporation	62,336,908	15.58%
DSS, Inc. ⁽⁴⁾	Interest in a controlled corporation	62,336,908	15.58%
Chan Heng Fai Ambrose ^{(4) (5)}	Interest in a controlled corporation and Beneficial owner	77,082,908	19.27%
Chan Kong Yoke Keow ⁽⁵⁾	Interest of spouse	77,082,908	19.27%
Edo Bordoni	Beneficial owner	29,839,153	7.46%
Anne Joy Bordoni ⁽⁶⁾	Interest of spouse	29,839,153	7.46%
Maria Victoria Diaz Basilio ⁽⁷⁾	Interest of spouse	27,686,280	6.92%

Long Positions in the Shares (cont'd)

Name of shareholders	Capacity/Nature of Interest	Number of Ordinary Shares held	Approximate percentage of interest
Nardinc Beheer B.V.	Beneficial owner	36,196,000	9.04%
SomethingEls B.V. ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%
ERMA B.V. ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%
Dasym Managed Accounts B.V. ⁽⁸⁾	Investment manager	36,196,000	9.04%
F. J. Botman Holding B.V. ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%
Franciscus Johannes Botman ⁽⁸⁾	Interest in a controlled corporation	36,196,000	9.04%

Notes:

- (1) Mrs. Franca Kurpershoek-Hekster is the spouse of Mr. Tobias Benjamin Hekster, an executive Director, and Mr. Tobias Benjamin Hekster holds 14.76% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Franca Kurpershoek-Hekster is deemed to be interested in the same number of Shares in which Mr. Tobias Benjamin Hekster is deemed to be interested in under the SFO.
- (2) Mrs. Wong Rosa Maria is the spouse of Mr. Godefriedus Jelte Heijboer, an executive Director, and Mr. Godefriedus Jelte Heijboer holds 14.01% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Wong Rosa Maria is deemed to be interested in the same number of Shares in which Mr. Godefriedus Jelte Heijboer is deemed to be interested in under the SFO.
- (3) Mrs. Kung Yun Ching is the spouse of Mr. Ralph Paul Johan van Put, the chairman and executive Director and True Partner Participation Limited is wholly owned by Mr. Ralph Paul Johan van Put. True Partner Participation Limited holds 14.58% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Kung Yun Ching is deemed to be interested in the same number of Shares in which Mr. Ralph Paul Johan van Put and True Partner Participation Limited are deemed to be interested in under the SFO.
- (4) True Partner International Limited is a wholly owned subsidiary of DSS Financial Management, Inc. DSS Financial Management, Inc. is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc. DSS, Inc. is 58.79% owned by Mr. Chan Heng Fai Ambrose. True Partner International Limited holds 15.58% in True Partner Capital Holding Limited. By virtue of the SFO, Mr. Chan Heng Fai Ambrose is deemed to be interested in the Shares held by True Partner International Limited under the SFO.
- (5) Alset International Limited is 85.35% held by Alset Business Development Pte Ltd. Alset Business Development Pte Ltd. is wholly owned by Alset Global Pte Ltd, which is wholly owned by Alset, Inc. Alset, Inc. is 53.52% owned by Mr. Chan Heng Fai Ambrose. Alset International Limited holds 1.65% in True Partner Capital Holding Limited. By virtue of the SFO, Mr. Chan Heng Fai Ambrose is deemed to be interested in the Shares held by Alset International Limited under the SFO. In addition, Mr. Chan Heng Fai Ambrose beneficially holds 2.03% in True Partner Capital Holding Limited and has deemed interest in

15.58% in True Partner Capital Holding Limited per note (4) above. Mrs. Chan Kong Yoke Keow is the spouse of Mr. Chan Heng Fai Ambrose and is deemed to be interested in the same number of Shares in which Mr. Chan Heng Fai Ambrose is deemed to be interested in under the SFO.

- (6) Mrs. Anne Joy Bordoni is the spouse of Mr. Edo Bordoni and Mr. Edo Bordoni holds 7.46% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Anne Joy Bordoni is deemed to be interested in the same number of Shares in which Mr. Edo Bordoni is deemed to be interested in under the SFO.
- (7) Mrs. Maria Victoria Diaz Basilio is the spouse of Mr. Roy van Bakel, an executive Director, and Mr. Roy van Bakel holds 6.92% in True Partner Capital Holding Limited. By virtue of the SFO, Mrs. Maria Victoria

Save as disclosed above the Directors were not aware of any other persons/entities (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interest or short positions in the Shares or underlying Shares of the Company would fall

Equity-linked agreements

Save as disclosed above, no equity-linked agreements were entered into by the Company during the year end 31 December 2024 or subsisted at the end of the year.

Sufficiency of public float

As at the date of this annual report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Company maintained sufficient

Diaz Basilio is deemed to be interested in the same number of Shares in which Mr. Roy van Bakel is deemed to be interested in under the SFO.

- (8) Each of SomethingEls B.V. and ERMA B.V. holds 50% interest in Nardinc Beheer B.V. By virtue of the SFO, SomethingEls B.V. and ERMA B.V. are deemed to be interested in the Shares held by Nardinc Beheer B.V. under the SFO. Dasym Managed Accounts B.V., as investment manager, is 90.1% owned by F.J. Botman Holding B.V. which in turn is wholly owned by Mr. Franciscus Johannes Botman. By virtue of the SFO, Dasym Managed Accounts B.V., F.J. Botman Holding B.V. and Mr. Franciscus Johannes Botman are deemed to be interested in the Shares held by Nardinc Beheer B.V. under the SFO.

to be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

prescribed minimum number of the issued Shares in public hands as required under the GEM Listing Rules.

Purchase, sale or redemption of listed securities of the Company

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024 and up to date of this report.

Corporate governance code

Details of the principle corporate governance practices as adopted by the Company are set out in the section headed "Corporate Governance Report" of this annual report.

Relationships with employees, customers and suppliers

The Group maintains a good relationship with its employees, and certain policies have been implemented to ensure that its employees are provided with competitive remuneration, good welfare benefits and continuous professional training. The Group also maintains good relationships with its customers and suppliers.

Environmental policies and performance

The Group is committed to operate in compliance with the applicable environmental laws as well as protecting the environment by minimising the negative impact of the Group's existing business activities on the environment. To the best knowledge of the Directors, the Group has complied with all relevant laws and regulations regarding environmental protection for the year ended 31 December 2024. Details of disclosures on risk management and environmental policies are set out in the "Corporate governance report" and the "Environmental, social and governance report" of this annual report.

Compliance with the relevant laws and regulations

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. The Board reviews and monitors the Group's policies and practices on compliance with legal and regulatory requirements on a regular basis. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time.

During the year ended 31 December 2024 and up to the date of this annual report, to the best of the Company's knowledge, information and belief, having made all reasonable enquiries, the Group is not aware of any noncompliance in any material respect with the relevant laws and regulations that have a significant impact on the business and operation of the Group for the year ended 31 December 2024.

Dividend policy

The Company has adopted a dividend policy, pursuant to which the Company gives priority to distributing dividend in cash and shares its profits with its Shareholders. The dividend payout ratio shall be determined or recommended, as appropriate, by the Board at its absolute discretion after taking into

account the Company's financial results, future prospects and other factors, and subject to:

- the Articles of Association of the Company;
- the applicable restrictions and requirements under the laws of the Cayman Islands;
- any banking or other funding covenants by which the Company is bound from time to time;
- the investment and operating requirements of the Company; and
- any other factors that have material impact on the Company.

Donations for charitable or other purpose

Donations for charitable or other purpose such as sponsorship in community activities of approximately HK\$95,000 were made by the Group during the year ended 31 December 2024 (2023: HK\$136,000).

Events after the reporting period

To strengthen the liquidity position of the Company, the Company and True Partner International Limited, the Subscriber, entered into a subscription agreement dated 27 December 2024. True Partner International Limited is a substantial shareholder of the Company and a wholly owned subsidiary of DSS Financial Management, Inc., which in turn is wholly owned by DSS Securities, Inc., which is wholly owned by DSS, Inc., which in turn is 58.79% owned by Mr. Chan Heng Fai Ambrose, a substantial shareholder of the Company.

Pursuant to the subscription agreement, the Subscriber agreed to subscribe for, and the

Company agreed to allot and issue, an aggregate of 19,500,000 subscription shares at the subscription price of HK\$0.400 per subscription share, representing approximately 4.65% of the enlarged issued shares of 419,500,000 shares immediately following completion of the subscription agreement. The total consideration is HK\$7.8 million. The net proceeds after deduction of relevant costs and expenses, is approximately HK\$7.3 million.

The net of proceeds will be used to cover expenses such as salaries, office administrative expenses, professional fees such as audit and legal fees and financial printing fees, and promotion, marketing and other general expenses.

Permitted indemnity provision

Pursuant to the articles of association of the Company, the Directors and officers shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty; provided that this indemnity shall not extend to any matter in respect of any own fraud or dishonesty which may attach to any of the Directors and officers.

The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Group. A permitted indemnity provision (as defined in the Companies Ordinance) for the benefit of the Directors of the Company was in

force during the year ended 31 December 2024 and is in force as at the date of this report.

Deed of non-competition

Each of Mr. Ralph Paul Johan van Put, Mr. Godefriedus Jelte Heijboer, Mr. Tobias Benjamin Hekster, Mr. Edo Bordoni, Mr. Roy van Bakel, Mr. Chan Heng Fai Ambrose, True Partner Participation Limited and True Partner International Limited (together, the “**Covenanters**”) has confirmed to the Company of their respective due compliance with the non-competition undertakings provided to the Company under a deed of non-competition (the “**Deed of Non-Competition**”) entered into between the Covenanters and the Company dated 22 September 2020 during the period from the Listing Date and up to the date of this report.

The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied with by the Covenanters during the period

from the Listing Date and up to the date of this report.

Audit Committee

The Audit Committee has reviewed the audited consolidated financial statements for the year ended 31 December 2024 and is of the opinion that these statements had complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosures had been made.

Auditor

The consolidated financial statements for the year ended 31 December 2024 have been audited by PKF Hong Kong Limited, who retire and, being eligible, offer themselves for re-appointment. A resolution to re-appoint PKF Hong Kong Limited as auditor of the Company will be submitted at the forthcoming annual general meeting of the Company. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the auditor.

On behalf of the Board

Ralph Paul Johan van Put
Chairman and Chief Executive Officer

Hong Kong, 28 March 2025

Environmental, Social and Governance Report

Chairman's Statement

Dear valued stakeholders,

The board of directors (the “**Board**”) is committed to driving sustainable development in True Partner Capital Holding Limited (the “**Company**”) and its subsidiaries (individually or collectively referred to as the “**Group**”). The Board has the overall responsibility for the Group’s environmental, social and governance (“**ESG**”) strategy and reporting, while both the members of the Board and senior management supervise the ESG issues of the Group. The Board continuously monitors and reviews the key risks affecting the sustainability of the Group’s business, such as the environmental, occupational health and safety and labour standards. The risk management and internal control frameworks provide a structured approach for the Board to formulate policies and ensure effective execution. More information about the Group’s governance structure is stated in the headed “Governance for Sustainability”.

The Group strives to create values for its shareholders. Therefore, the Group continuously communicates with its stakeholders to understand their concerns and fulfil their expectations. Their opinions helped the Group understand its ESG performance, assess the importance of different ESG-related issues and prioritise them. With reference to the

stakeholders’ opinions, the Board reviews the Group’s sustainability strategies at least annually and, where appropriate, adjusts the Group’s policies to live up to stakeholders’ expectations while meeting the requirements of regulators.

Since the financial year ended 31 December 2021 (“**FY2021**”), the Group has set various ESG-related targets on relevant key performance indicators (“**KPIs**”). The Board believes the ESG-related targets can raise employees’ awareness of ESG, drive behavioural changes and facilitate the incorporation of ESG initiatives into the Group’s operational strategy. With the assistance of the Environmental, Social and Governance Working Group (“**ESG Working Group**”), the Board regularly reviews the Group’s ESG performance to follow up the progress made on the Group’s ESG-related targets. The Board makes full use of the available ESG data to compare the performance between different years. Aiming to achieve the targets, the Group strives to actively incorporate sustainability into its daily operations.

On behalf of the Board, I would like to express my gratitude to my fellow directors, the management team, all employees and stakeholders for their contributions to the Group’s sustainable development.

Ralph Paul Johan van Put
Chairman and Chief Executive Officer
Hong Kong, 28 March 2025

Introduction

The Company is a limited liability company incorporated in the Cayman Islands. The principal activity of the Company is investment holding. The Group is a Hong Kong and United States (the “US”) based asset management group with a focus on global volatility trading in liquid markets. The Group is principally engaged in fund management

business and providing consultancy services.

This Environmental, Social and Governance Report (the “ESG Report”) reflects the Group’s active fulfilment of its ESG responsibilities to achieve sustainable development and its responses to stakeholders’ concerns.

Reporting Scope

This ESG Report covers all of the Group’s business activities at the offices in Hong Kong, the Netherlands, Singapore, the United Kingdom (“UK”) and the US, where the Group’s business operations are mainly carried out. The relevant environmental indicators will be reported for the Group’s Hong Kong headquarters and, where applicable, for its offices in the Netherlands, Singapore, the UK and the US. The social indicators will be reported for the Group’s offices within

the reporting scope.

The scope of the ESG Report was determined by considering the ESG significance of the Group’s activities and the influence of the activities on the Group’s operations. The Group believes the reported areas collectively present a comprehensive picture of the Group’s overall ESG performance.

Reporting Framework

The ESG Report has been prepared in

accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix C2 of the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “SEHK”), with four reporting principles including materiality, quantitative, balance and consistency. A complete index is appended to the last chapter hereof for easy reference in accordance with the ESG Reporting Guide.

Reporting Principles

According to the ESG Reporting Guide, the following reporting principles were applied in the ESG Report:

Materiality

The Group regularly conducts materiality assessments to identify the material environmental and social issues to the Group’s business. By gathering the feedback of various stakeholder groups, the Group can have a better understanding of their concerns and expectations

of the Group’s sustainable development. For further details, please refer to the sections headed “Stakeholder Engagement” and “Materiality Assessment”.

Quantitative

To evaluate the effectiveness of ESG-related policies, the Group has adopted the SEHK’s ESG Reporting Guide, relevant guidelines published by SEHK and other international organisations, in measuring and presenting quantitative environmental and social information.

Details of the standards used are described in the relevant sections of the ESG Report.

Balance

The ESG Report provides an unbiased picture of the Group's ESG performance.

Consistency

The ESG Report adheres to a consistent set of reporting standards, methodologies for calculating data and presentation of KPIs to allow meaningful comparisons of related data over time and that with the past years, including the financial year ended 31 December 2023 ("FY2023").

Reporting Period

The ESG Report presents the Group's ESG performance for the financial year ended 31 December 2024 ("FY2024").

Governance for Sustainability

The Group has established the ESG Working Group to promote the employees' awareness of ESG issues. The ESG Working Group is comprised of senior management and general staff with adequate knowledge of ESG, its members span across different business departments, including the operational, compliance, human resources and finance departments. They are responsible for executing the Group's ESG measures, collecting and analysing ESG data, preparing ESG reports, giving suggestions to the Board on ESG issues and reviewing ESG-related matters across the Group's different departments. Where appropriate, external advisors would be engaged to provide expertise and professional advice for the ESG

management process.

With the assistance of the ESG Working Group, the Board regularly reviews the materiality of the Group's ESG issues and continuously monitors the Group's ESG performance, risks and opportunities. The members of the ESG Working Group have meetings at least once per year to discuss the effectiveness of the Group's policies and procedures and seek opportunities to improve the Group's ESG performance. The ESG Working Group reports its findings to the Board annually so that the Board can look for solutions to manage the Group's ESG risks and opportunities.

Feedback

The Group values feedback from its stakeholders. If you have any questions or suggestions regarding the ESG Report or the Group's performance in sustainable development, please feel free to contact the Group through

its communication channels as shown on the Company's website at <http://www.truepartnercapital.com/contact>.

Stakeholder Engagement

The Group seeks to understand the expectations and concerns of all its stakeholders and the impact of its business on its stakeholders. Therefore, the Group engages with its key stakeholders to identify sustainability issues and potential risks. Key stakeholders include but are not limited to banks and other financial institutions, shareholders, investors and clients, government and other regulatory authorities, employees and suppliers.

The Group has made an assessment of stakeholders' expectations. The Group seeks to engage with stakeholders through diversified engagement methods. A summary is included below:

ESG - Environmental, Social and Governance

Stakeholders	Engagement Methods
Banks and other financial institutions	<ul style="list-style-type: none">• Written or electronic correspondences• Reports and announcements• On-site visits
The Board and the Group's senior management	<ul style="list-style-type: none">• Client reports• Company website• Announcements and circulars• Internal meetings
Shareholders, investors and clients	<ul style="list-style-type: none">• Annual General meetings and other shareholder meetings• Financial reports• Announcements and circulars• Company website• Monthly investor's report
Government and other regulatory authorities	<ul style="list-style-type: none">• Written or electronic correspondences• Visits and inspections
Employees	<ul style="list-style-type: none">• Training activities, seminars, and briefing• General meetings• Emails
Suppliers	<ul style="list-style-type: none">• Business meetings• Site visits

The Group endeavours to actively listen to and collaborate with its stakeholders to ensure that their opinions can be voiced out through an effective communication channel.

In the long run, the stakeholders' contribution will aid the Group in improving ESG performance and ensuring the continued success of the Group's business.

Materiality Assessment

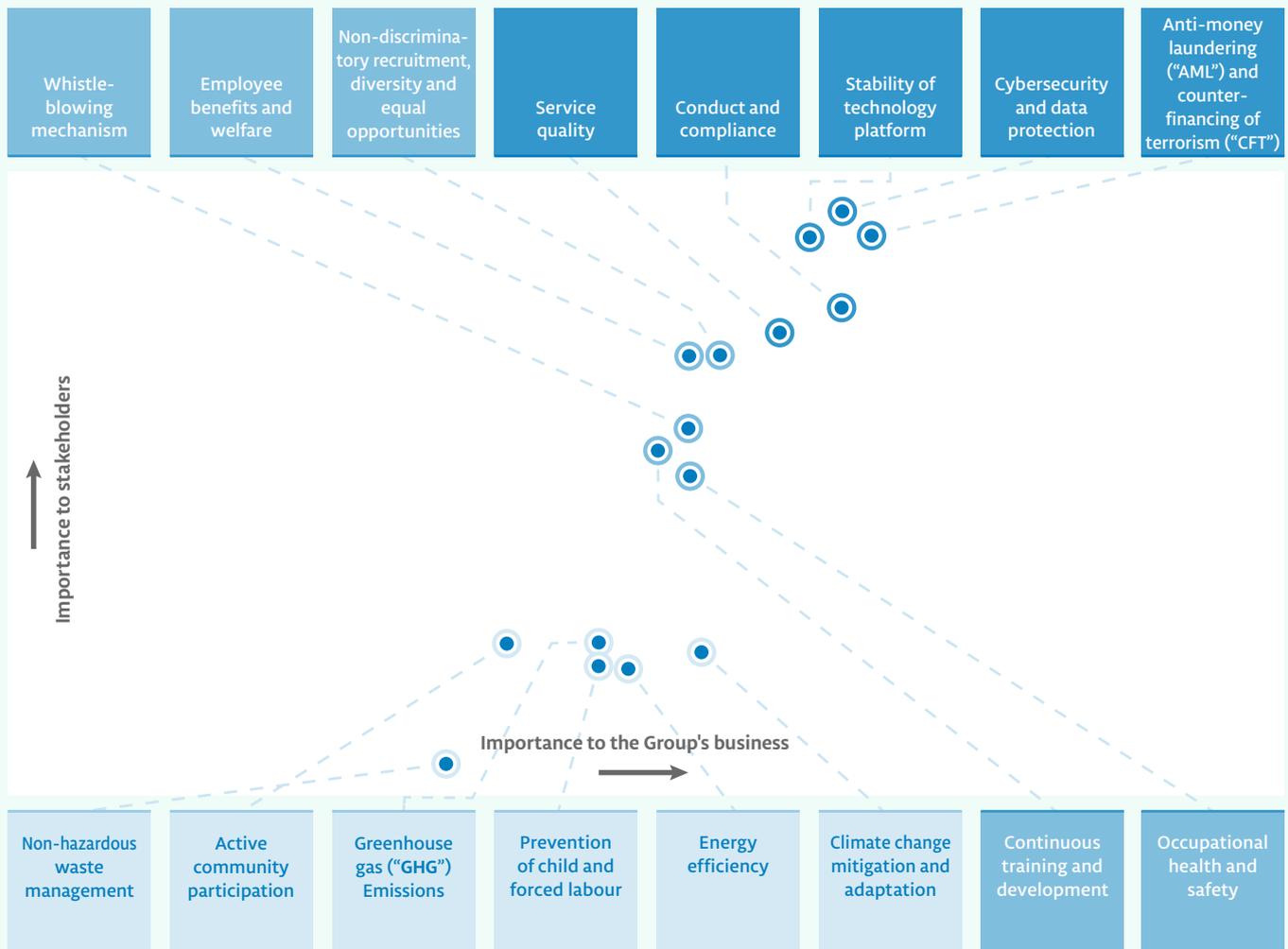
The Board and the ESG Working Group have participated in reviewing the Group’s operations and identifying material ESG topics and assessing the relative importance of the ESG topics to its business and stakeholders. During FY2024, as there is no material change in the Group’s business

operation, the materiality matrix from the materiality assessment in FY2023 will be applied to FY2024.

The Group’s material ESG topics according to their relative importance are shown below:

ESG Materiality matrix

Level of influence on stakeholders' assessments & decisions



ESG - Environmental, Social and Governance

The Group has identified that the relevant criteria could be grouped into three broad categories. Firstly, those that were regarded as being of higher significance to the Group and having a higher influence on stakeholders' assessments and decisions. These included compliance and technology/cybersecurity-related matters, such as conduct and compliance, AML and counter-financing of terrorism, cybersecurity and data protection and the stability of the technology platform which have direct implication on the Group's quality of services to its funds and managed accounts. A second category was of slightly lower significance and influence, including matters relating to employee benefits, training, recruitment, whistleblowing mechanism and occupational health and safety. A third category was regarded as of lower

significance and influence, including areas such as non-hazardous waste management and GHG emissions. The Group believes all the areas highlighted are relevant categories to consider, and that the perceived significance and influence of certain categories in part reflects the nature of the Group's business relative to other companies listed on the SEHK. For example, technology stability and cybersecurity are naturally the main focus given the Group's extensive use of proprietary technology. At the same time, a technology-focused investment management business tends to naturally have lower waste production and energy usage than some other types of business such as manufacturing or natural resource extraction.

A. Environmental

A1. Emissions

The Group is committed to playing its part in shouldering the global responsibility to tackle climate change. To achieve this goal, the Group actively manages its operational footprint by ensuring compliance with the applicable laws and regulations of respective jurisdictions and by implementing the Environmental, Social and Governance Policy (the “**ESG Policy**”) and related conservation measures. The ESG Policy is formulated based on the United Nations Principles of Responsible Investment.

The Group seeks to provide its clients with superior risk-adjusted investment returns and client service. As an asset manager, the Group acts as a fiduciary on behalf of our clients and seeks to develop long-term partnerships to help its clients achieve their investment goals. As

fiduciaries, the Group believes that ESG issues can affect the performance of investment portfolios to varying degrees across companies, sectors, regions, asset classes and through time. Therefore, the Group seeks to incorporate material ESG topics into its daily operations and investment analysis as part of its robust investment process and seeks to be a responsible corporate citizen in the communities in which the Group operates and to be mindful of its overall environmental footprint.

At the investment level, the ESG Policy is reviewed annually as part of the Risk Committee’s annual policy review. At the firm level, the ESG Policy is reviewed annually by the Board. The Group’s ESG Policy is also available on our website.

During FY2024, the Group was

not aware of any material non-compliance with laws and regulations that would have a significant impact on the Group relating to air and GHG gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. The relevant laws and regulations include, but are not limited to, the Air Pollution Control Ordinance of Hong Kong, the Waste Disposal Ordinance of Hong Kong, the Federal Clean Air Act of the US, the Federal Clean Water Act of the US, the Environmental Management Act of the Netherlands, the Clean Neighbourhoods and Environment Act 2005 of the UK, the Sustainable Finance Disclosure Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 and the Environmental Protection and Management Act of Singapore.

The following table sets out the relevant key topics, the Group's defined targets and the status of the targets:

Key Topic	Defined Targets	Status
GHG Emission	Reduce the Group's other indirect (Scope 3) GHG emissions intensity (in tonnes CO ₂ e/billion US\$ asset under management) by at least 20% by the financial year ended 31 December 2025 ("FY2025"), using approximately 41.49 tonnes CO ₂ e/billion US\$ asset under management in the financial year ended 31 December 2019 ("FY2019") as the baseline.	In progress, the Group's other indirect (Scope 3) GHG emissions intensity (in tonnes CO ₂ e/billion US\$ asset under management) in FY2024 was approximately 134.96 tonnes CO ₂ e/billion US\$ asset under management, which was significantly higher than the level in FY2019. The Group will continue to strive to reduce its other indirect (Scope 3) GHG emissions intensity.
	Organise activities from FY2022 onwards to strengthen employees' awareness of environmental stewardship.	Participated in Earth Hour 2024 to raise awareness about energy conservation by turning off non-essential lights for one hour.

Key Topic	Defined Targets	Status
Waste Management	Reduce the Group's non-hazardous waste intensity (in tonnes/billion US\$ asset under management) by at least 10% by FY2025, using approximately 0.12 tonnes/billion US\$ asset under management in the financial year ended 31 December 2020 ("FY2020") as the baseline.	In progress, the the Group's non-hazardous waste intensity in FY2024 was approximately 0.22 tonnes/billion US\$ asset under management, which was approximately 83% higher than the level in FY2020. The Group will continue to strive to reduce its non-hazardous waste intensity.
	Provide notices to inform staff on the reduce, reuse and recycle principle in FY2024.	The notices of reduce, reuse and recycle principle were promoted and implemented in daily operations.

Air Pollutant Emissions

As an investment holding company, the Group does not involve any manufacturing activities or construction projects. Moreover, the Group does not own any vehicles. Therefore, the Group does not have a material impact on air pollutant emissions.

GHG Emissions

The GHG emissions of the Group were mostly generated from purchased electricity, paper waste disposal at landfills and business air travel.

Scope 1 – Direct GHG Emissions

During FY2024, the Group did not own any vehicles or involve in any manufacturing activities. Therefore, the

Group considers the direct GHG emissions generated by the Group in FY2024 to be immaterial.

Scope 2 – Energy Indirect GHG Emissions

The Group has implemented energy-saving measures, which will be mentioned in the section headed “Energy Efficiency”.

Scope 3 – Other Indirect GHG Emissions

Office paper waste disposal and business air travel contributed to other indirect GHG emissions. Noting that air travel generates a large amount of GHG emissions, the Group only utilises air travel when deemed necessary; the Group usually communicates via teleconferences and web conferences.

The GHG emissions performance of the Group are as follows:

Indicators ¹	Units	FY2024	FY2023
Direct (Scope 1) GHG emissions	tonnes CO ₂ e	–	–
Energy indirect (Scope 2) ² GHG emissions	tonnes CO ₂ e	10.20	11.63
Other indirect (Scope 3) GHG emissions	tonnes CO ₂ e	67.48	40.15
Paper waste disposal	tonnes CO ₂ e	0.51	0.69
Business air travel	tonnes CO ₂ e	66.97	39.46
Total GHG emissions	tonnes CO₂e	77.68	51.78
Total GHG emissions intensity ³	tonnes CO₂e/million HK\$ revenue	8.09	3.90
	tonnes CO₂e/billion US\$ asset under management	155.36	58.18

Notes:

1. GHG emissions data are presented in terms of carbon dioxide equivalent and are calculated with reference to “**The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards**” issued by the World Resources Institute and the World Business Council for Sustainable Development, “**How to prepare an ESG report – Appendix 2: Reporting Guidance on Environmental KPIs**” issued by SEHK, the “**Global**

Warming Potential Values” from the IPCC sixth Assessment Report, 2023 (AR6) and IPCC Fifth Assessment Report, 2014 (AR5) and the “**2023 Sustainability Report**” published by the CLP Holdings Limited.

2. Figures only include the Hong Kong office. Electricity usage in the Netherlands, Singapore, the UK and US offices were included in the tenancy agreement, related data are hence not available.
3. The calculation of intensity by million

HK\$ revenue is based on the core revenue of the Group, which was approximately HK\$9.6 million during FY2024 (FY2023: HK\$13.3 million). The calculation of intensity by billion US\$ asset under management is based on the asset under the Group’s management, which was approximately US\$0.5 billion during FY2024. (FY2023: US\$0.9 billion) These figures are also the basis for waste and energy intensity calculations.

In FY2024, the Group's total GHG emissions intensity was approximately 155.36 tonnes CO₂e/billion US\$ asset under management (FY2023: approximately 58.18 tonnes CO₂e/billion US\$ asset under management). The increase in the total GHG emissions intensity was mainly due to the decrease in the Group's asset under management and the increase in business air travel as a result of an increase in business demand.

In response to the growing concerns about climate change, the Group will continue to pursue its defined target of reducing its other indirect (Scope 3) GHG emissions intensity (in tonnes CO₂e/billion US\$ asset under management) by at least 20% by FY2025, using approximately 41.49 tonnes CO₂e/billion US\$ asset under management in FY2019 as the baseline. To pursue the

GHG emissions reduction target, the Group actively promotes the use of videoconferencing to reduce the number of face-to-face meetings and thus the carbon footprint arising from air travel. For more information about the measures taken by the Group to pursue the GHG emissions reduction target, please refer to the energy-saving measures mentioned in the section headed "Energy Efficiency".

Sewage Discharges into Water and Land

Due to the Group's business nature, the sewage discharge into land is insignificant. Similarly, there was no significant and unreasonable amount of sewage water discharged; used water is discharged to the municipal sewage network to the regional water treatment plant.

Waste Management

Hazardous Waste Management

As an investment holding company, the Group's business operations do not involve the use of hazardous materials, there was no significant hazardous waste generated in FY2024.

Non-hazardous Waste Management

Non-hazardous wastes generated were mainly office paper. The Group makes a great effort to raise the awareness of its employees of the importance of reducing the amount of waste produced. In various

operating sites, the Group follows the recycling policy of the property management company in its offices to separate waste at the source.

ESG - Environmental

The non-hazardous waste discharge performance of the Group is as follows:

Indicators	Units	FY2024	FY2023
Total non-hazardous waste • Office paper	tonnes	0.11	0.14
Total non-hazardous waste intensity	tonnes/million HK\$ revenue	0.0115	0.0105
	tonnes/billion US\$ asset under management	0.22	0.16

In FY2024, the Group's total non-hazardous waste intensity was approximately 0.22 tonnes/billion US\$ asset under management (FY2023: approximately 0.16 tonnes/billion US\$ asset under management), representing an increase of approximately 38% year-on-year. The increase in total non-hazardous waste intensity was due to the decrease in the Group's assets under management and more printed marketing materials in FY2024 as the Group attended several international seminars and summits to promote the fund business.

To reinforce the Group's commitment to reduce waste, the Group will continue to pursue its defined target of reducing its non-hazardous waste intensity (tonnes/billion

US\$ asset under management) by at least 10% by FY2025, using approximately 0.12 tonnes/billion US\$ asset under management in FY2020 as the baseline. To pursue the waste reduction target, the Group has adopted the following environmentally friendly measures:

- reuse single-sided waste paper where possible;
- reduce the use of single-use disposable items;
- separate recyclable waste from wastes to be disposed of in the landfill;
- recycle or donate office and electronic equipment after their life cycle; and
- print electronic correspondences only when necessary.

Wastewater Management

The Group does not consume a significant amount of water in its business operations, and therefore its business activities did not discharge a material volume of pollutants into water or land during FY2024. Since the Group discharges wastewater into the municipal sewage pipeline network for processing, the amount of water consumption of the Group represents the wastewater discharge volume. The majority of the water supply and discharge facilities are provided and managed by the property management company.

A2. Use of Resources

The Group aims to minimise its environmental impacts by following its ESG Policy to identify and impose measures to avoid excessive consumption and ensure

efficient use of finite resources. The Group takes practical steps where appropriate to reduce energy and water consumption.

The following table sets out the relevant key topic, the Group’s defined targets and the status of the targets:

Key Topic	Defined Targets	Status
Energy Efficiency	Raise employees’ energy-saving awareness by participating in energy-saving campaigns such as the Earth Hour lights-out campaign from FY2022 onwards.	Participated in Earth Hour 2024 to raise awareness about energy conservation by turning off non-essential lights for one hour.
	Provide notes via email to inform staff on energy-saving practices in FY2024.	The notices of reduce, reuse and recycle principle were promoted and implemented in daily operations.

Energy Efficiency

Electricity was the principal energy source used by the Group in the rented offices. The Group takes the initiative to introduce environmentally-friendly measures to reduce the environmental impact arising from its business operations.

To further the Group’s commitment to the conservation of finite resources, the Group seeks to select rented offices where the landlord or management company gives due regard to mitigating environmental and social impact and provides premises that incorporate environmentally friendly features. The Group also

takes into account the location of the offices and the proximity to investors and service providers to minimise unnecessary travel.

Take the Group’s rented office in the Netherlands as an example, the lighting in the premises is equipped with a motion detector which helps save energy in the meeting, storage and sanitary rooms. Furthermore, the Netherlands office uses natural air for its air-conditioning systems when the temperature outside the office drops below 12° C. The office’s building management systems allow technical installations to be switched off

ESG - Environmental

automatically overnight and on weekends. The office also has double-glazed windows, wall and roof insulation and high-efficiency boilers installed to reduce over-reliance on energy for heating during the winter months.

Any anomalies in electricity consumption will be investigated, where appropriate corrective measures will be taken. Through the implementation of the aforementioned energy-saving measures, employees' awareness of energy conservation has increased.

The energy consumption performance of the Group is as follows:

Indicators	Units	FY2024	FY2023
Direct energy consumption	MWh	–	–
Indirect energy consumption (Purchased electricity) ⁴	MWh	26.16	29.83
Total energy consumption	MWh	26.16	29.83
	MWh/million HK\$ revenue	2.73	2.24
Total energy consumption intensity	MWh/billion US\$ asset under management	52.32	33.52

Note:

4. Figures only include the Hong Kong office. Electricity usages in the Netherlands, Singapore, the UK and US offices were included in the tenancy agreement, related data are hence not available.

In FY2024, the Group's energy consumption intensity was approximately 52.32 MWh/billion US\$ asset under management (FY2023: approximately 33.52 MWh/billion US\$ asset under management), representing an increase of approximately 56% year-on-year. The increase in the total energy consumption intensity was mainly due to the decrease in the Group's assets under management.

To reinforce the Group's commitment to efficient energy use, the Group has set a target of raising employees' energy-saving awareness by participating in energy-saving campaigns such as the Earth Hour lights-out campaign in FY2025. In addition, the Group has set a target of providing notices via email to inform staff on energy-saving practices in FY2025. To pursue the energy

use efficiency targets, the Group has implemented the following energy-saving measures:

- pre-set thermostats of heaters and air-conditioners at a mutually agreed level;
- post eye-catching reminders near lights switches and electrical appliances as a reminder to employees;
- switch off all idle appliances and unnecessary lights upon leaving offices; and
- purchase equipment with higher energy efficiency in the replacement of obsolete equipment.

Water Consumption

Water was mainly used in the rented offices. Since water usage and its related costs form part of the tenancy agreement, a breakdown of water consumption was thus not available. The Group reminds its employees to uphold water conservation measures by posting reminders

around the offices and reporting leakages to the landlord or management company as soon as possible.

As the Group does not consume a significant amount of water when it conducts its investment holding business, no water efficiency targets were in place during FY2024.

As the Group's operations are mainly based in locations where water supply is sufficient, the Group does not encounter any problem in sourcing water that is fit for purpose.

Use of Packaging Materials

The Group is an investment holding company, the disclosure of the information relating to total packaging material used for finished products is not applicable due to the Group's business nature.

A3. The Environment and Natural Resources

The Group's business operations have a limited impact on the environment and natural resources. Nevertheless, the Group regularly assesses its existing and potential environmental risks and impacts to ensure compliance with relevant laws and regulations. The Group implements its ESG Policy when conducting its business, with an aim of reducing the environmental impacts such as exploitation of energy resources and GHG emissions, the Group pursues environmental sustainability. Where necessary, the Group will implement preventive measures to ensure

compliance with the relevant laws and regulations.

Selection of Markets to Trade

The Group incorporates ESG considerations into its investment strategies. When selecting markets to trade it takes into consideration other factors include:

- with regards to equity indices, the Group trades derivatives on the world's main equity indices. Given this product set, the index options and futures that the Group trades are generally listed on a

United Nations Sustainable Stock Exchange. In the unlikely situation where an instrument would not be traded on such exchange, this relevant instrument would be omitted from the product universe;

- with regards to the trading of single stocks and the overlying options, these names cannot be on the Exclusion List as prepared and published by one of the world's largest pension funds which has a long-standing and thoughtful approach in this area; and

- given the Group's trading orientated approach, the Group typically has limited net market exposure and is not long-term holders of individual securities. Where relevant the Group will seek to vote proxies in accordance with its investors' best interests, and where possible the Group takes into account any ESG considerations.

A4. Climate Change

Climate change is affecting many industries. A transition towards a low-carbon economy is essential to mitigate climate-related risks and seize opportunities. Understanding the potential risks and opportunities in this transition, the Group has identified significant climate-related issues which have impacted and may impact its operations. Therefore, the Group has formulated the Business Continuity and Disaster Recovery Plan to guide the Group in the event of an internal or external emergency or significant business disruption, including extreme weather to tackle these issues.

For physical risk, extreme weather has been more frequent and severe due to climate change. The increased frequency and severity of extreme weather might disrupt the Group's business operations. A disruption to the Group's business operations may cause a direct negative impact on the Group's revenue. Under extreme weather, operational facilities may be damaged, while the safety of the workforce may also be impacted.

The Group has taken different actions to manage the abovementioned acute physical risks. For example, the Group maintains a comprehensive insurance coverage on assets that are prone to damage by extreme weather conditions. In addition, the Group has developed the practice of communicating the arrangements under bad weather conditions to employees in advance. All employees have work-from-home capacities and secure access to servers and video conferencing. Employees are

cross-trained so that all daily functions can be performed by more than one employee. The potential financial impacts can be minimised with adequate preparations for extreme weather events.

For transition risk, the Group's customer base may shrink if the Group fails to provide environmentally friendly investment options. Investors' preference is shifting towards financial assets that are less damaging to the climate or aligning better with broader objectives of society. In addition, the Group expects the laws and regulations related to climate change are going to be more stringent. As a result, the Group may face legal risks, which is a type of transition risks, and may need to bear higher operating costs to comply with regulatory changes.

To manage the transition risks that may be brought along by the climate crisis, the Group has taken an array of actions. First, the Group has incorporated sustainability into its investment strategies. Second, the Group has sought compliance advisors to reduce compliance risks. Third, the Group has been taking comprehensive measures to protect the environment, including measures aimed at reducing GHG emissions. By going beyond current compliance requirements, the Group has a better chance to adapt swiftly to regulatory changes.

The Group will continue to assess the effectiveness of the Group's actions on climate change and enhance its resilience against climate-related issues.

B. Social

B1. Employment

The Group highly values its personnel and recognises that attracting and retaining talented and committed employees is an important factor in the continued success of the Group. Therefore, the Group is committed to attracting and retaining a diverse and inclusive workforce to help build a resilient and strong

organisation. Employment policies are formally documented in the Group's Staff Handbook, which specifies the terms of compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The Group

periodically reviews the existing policies and employment practices to ensure continuous improvement of its employment standards and competitiveness against service providers within the same industry.

During FY2024, the Group was not aware of any material non-compliance with the relevant laws and regulations that would have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The relevant laws and regulations include, but are not limited to, the Employment Ordinance of Hong Kong, the Sex Discrimination Ordinance of Hong Kong, the Minimum Wage Ordinance of Hong Kong, the Fair Labor Standards Act of the US, the Americans with Disabilities Act of the US, the Labour Law of the Netherlands, the Disability Insurance Act of the Netherlands, the Employment Relations Act 1999 of the UK and the Employment Act of Singapore.

As at 31 December 2024, the Group had a total of 16 employees. The employee turnover rate in FY2024 is approximately 43.9%.

The number of employees of the Group by category is as follows:

Indicators		As at 31 December 2024	As at 31 December 2023
Number of employees		16	25
By gender	Female	5	9
	Male	11	16
By age group	Under 30 years old	3	6
	30 to 50 years old	9	14
	Above 50 years old	4	5
By employment type	Full-time	14	24
	Part-time	2	1
By geographical region	Hong Kong	6	11
	The Netherlands	5	8
	The US	2	2
	Singapore	2	2
	The UK	1	2

The number and rate of employee turnover of the Group by category are as follows:

Indicators		FY2024	FY2023
Number and rate (%) of employee turnover⁵		9 (43.90%)	10 (34.48%)
By gender⁶	Female	4 (57.14%)	- (-)
	Male	5 (37.04%)	10 (50.00%)
By age group⁶	Under 30 years old	3 (66.67%)	4 (53.33%)
	30 to 50 years old	5 (43.48%)	6 (36.36%)
	Above 50 years old	1 (22.22%)	- (-)
By geographical region⁶	Hong Kong	4 (47.06%)	6 (50.00%)
	The Netherlands	4 (61.54%)	1 (11.11%)
	The US	- (-)	1 (33.33%)
	The UK	1 (66.67%)	1 (40.00%)
	Singapore	- (-)	1 (40.00%)

Notes:

- 5. The calculation method of the turnover rate in the year: $\frac{\text{the number of employees leaving employment in the year}}{((\text{the number of employees at the beginning of the year} + \text{the number of employees at the end of the year}) \div 2)} \times 100\%$.
- 6. The calculation method of the turnover rate by category in the year: $\frac{\text{the number of employees leaving employment in the category in the year}}{((\text{the number of employees in the category at the beginning of the year} + \text{the number of employees in the category at the end of the year}) \div 2)} \times 100\%$.

Non-discriminatory Recruitment, Diversity and Equal Opportunities

The sustainable growth of the Group relies on the diversity of talents and a non-discriminatory recruitment process. The Operational Controls Outline sets out the Group’s hiring practices. The Group’s employees are recruited via a robust, transparent and fair recruitment process based solely on their application, interviews, comments from previous employers and references, as well as specifically considering whether they are fit and

proper to perform their assigned responsibilities. New employees are subject to a probationary period.

The Diversity and Anti-harassment Policies set out the Group’s commitment to providing a workplace where employees of all backgrounds can thrive and deliver superior performance for its clients, where individual differences and contributions of employees are recognised and valued, and where rewards and opportunities for training and career development

are based on merit. The Group does not tolerate discrimination on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including colour, nationality, and ethnic or national origin), religion or belief, sex and sexual orientation. The Group believes that all employees should have the right to work in an environment free of discrimination and harassment and emphatically states its zero-tolerance stance on any aforementioned behaviours of any form in the workplace.

The Group has adopted a board diversity policy which sets out the approach by which the Board could achieve a higher level of diversity. When considering the nomination and appointment of a director, with the assistance of the Nomination Committee, the Board would consider a number of factors, including but limited

to the skills, knowledge, qualifications and educational background, professional experience, cultural background, age, and gender. All the appointment of the Board members will be based on meritocracy having due regard to the benefits of diversity on the Board.

The Board currently has one female director. The Board will seek to ensure that an appropriate balance of gender diversity is achieved with reference to stakeholders' expectations and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Nomination Committee will review and monitor the implementation of the Board Diversity Policy to ensure its effectiveness and recommend any revisions to the Board for consideration and approval.

Employee Benefits and Welfare

Good benefits and welfare encourage retention and foster a sense of belonging. Therefore, the Group seeks to offer a competitive and attractive remuneration package, including a competitive base salary and discretionary bonuses.

The remuneration structure of the Group is illustrated in the Remuneration Policy, which is designed to ensure that there is an appropriate balance of fixed and variable rewards and is dependent on performance-related factors such as individual, functional and corporate performance. In addition

to the statutory leave entitlement of respective jurisdictions, the Group also offers employees various types of leaves and benefits, such as wedding leave, study leave and funeral leave, medical insurance and pension benefits.

The Company has established a Remuneration Committee to review and make recommendations to the Board on the overall remuneration policy and package structure relating to all directors and senior management of the Group. The Board approves the remuneration policy as well as individual packages for directors and senior management.

The remuneration packages are reviewed regularly by the Board to ensure that they are competitive and in line with the market trend in attracting and retaining individuals with the relevant skills, knowledge and experience. The balance of fixed and variable components in the employees' remuneration package is subject to annual review by the Board based on the Group's performance. In conducting the employees' pay review annually, the Board takes into account various factors, such as individual responsibilities and performance, economic conditions, and competitiveness in the job market.

Promotion, Performance Appraisal and Dismissal

The Group assesses the performance of the employees on an annual basis. The performance review system has been designed to identify the quality of an employee's performance and conduct of their duties in terms of job knowledge, volume and quality of work, technical knowledge, judgment, initiative and interpersonal skills, etc.

The results are used for their annual salary review and performance appraisal. The Group also gives preference to internal promotion in order to provide incentives to employees for their consistent and continuous effort.

Unreasonable dismissal under any circumstances is strictly prohibited, dismissal will be based on reasonable

and lawful grounds supported by internal policies of the Group.

Working Hours and Rest Periods

Official working hours are clearly stated in the Staff Handbook and are in accordance with the employment laws of respective jurisdictions. Compensation for hours worked outside the normal working hours is included in the salary.

B2. Health and Safety

Occupational Health and Safety

Providing employees with a safe and healthy working environment is of utmost importance to the Group. The Group has implemented a policy on safety and accidents covering office safety policies, severe weather conditions arrangements, fire safety, procedures for any workplace accidents resulting in personal injury, and employee compensation for injury at work. The said policy can be found within the Staff Handbook.

During FY2024, the Group was not aware of any material non-compliance with the relevant laws and regulations that would have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards. The relevant laws and regulations include, but are not limited to, the Occupational Safety and Health Ordinance of

Hong Kong, the Employees' Compensation Ordinance of Hong Kong, the CFR 29 OSHA (Occupational Health and Safety Act) of the US, the Working Conditions Act of the Netherlands, the Workplace (Health, Safety and Welfare) Regulations 1992 of the UK and the Workplace Safety and Health Act of Singapore.

Zero Workplace Accidents

The Group's commitment to workplace safety is exemplified by zero reported cases of work-related injuries during FY2024. The Group had zero lost days due to work injury during FY2024 (FY2023: Nil). No work-related fatalities occurred between 1 January 2022 and 31 December 2024. The rate of work-related fatalities occurred in the past three years including FY2024 was 0%.

B3. Development and Training

The Group recognises its responsibility to help abate financial crimes and is committed to conducting its global activities with integrity. Therefore, the Group strongly encourages all its employees to participate in training and education to further enhance their competencies and remain up-to-date with industry and regulatory developments.

Continuous Training and Development

The Continuous Professional Training Policy, found in the Compliance Manual, encapsulates the framework of professional training activities.

The Group requires all its employees to attend annual AML and Code of Ethic training provided by a global consultancy firm as well as quarterly cybersecurity training. The Group's cybersecurity training program may cover the following: general information security matters, policies and procedures pertaining to information security, information classification, access control and use of passwords, maintenance and protection of passwords, incident

reporting, physical security, social engineering tactics, phishing (conducted semi-annually), as well as additional relevant information at the time of the training. To ensure the Group's employees remain vigilant to potential cybersecurity threats, fake phishing emails are routinely sent to employees to test their alertness.

To protect sensitive and highly confidential data, the Group provides related training to newly recruited employees to ensure that they are aware of and comply with all internal policies, rules and regulations as required by the Group and adhere to confidentiality and non-disclosure obligations. The Group has also implemented access controls and confidentiality standards guidelines for relationships with designated critical third-party suppliers.

The Group's responsible officers and licenced representatives are required to undertake a minimum of five continuous professional training hours per calendar year for each regulated activity in order to fulfil the Securities and Futures Commission ("SFC") continuous professional

training requirements, maintain their SFC licences to carry on the relevant regulated activities and keep updated on the changes and developments in the asset management industry and the relevant laws and regulations. Designated compliance team personnel will review employees' training records each year to identify any licence-holder who has not met the hourly requirements and remind those license-holders of the deficit.

During FY2024, the Group conducted a series of job-related training courses which covered areas such as compliance, ethics, AML and cyber security. These training courses are designed to ensure compliance with all applicable laws in countries where the Group operates.

During FY2024, the total percentage of employees trained⁷ is 100%, while the average training hours per employees⁸ is 10.2 hours. The percentage of employees trained by gender and employee category and average training hours completed per employee of the Group by category are as follows:

Notes:

7. The calculation method of the percentage of employees trained in the year: (the number of employees trained in the year ÷ the total number of employees at the end of the year) × 100%.
8. The calculation method of the average training hours per employee (by category) in the year: the training hours of employees in the category in the year ÷ the number of employees (in the category) at the end of the year.

Indicators		Units	FY2024	FY2023
Percentage of employees trained by gender⁹	Female	Percentage	31%	36%
	Male	Percentage	69%	64%
Percentage of employees trained by employee category⁹	Senior management	Percentage	69%	44%
	Management	Percentage	12%	16%
	Other employees	Percentage	19%	40%
Average training hours by gender⁸	Female	Hours	6.6	6.8
	Male	Hours	11.8	10.1
Average training hours by employee category⁸	Senior management	Hours	10.9	10.8
	Management	Hours	12.0	9.5
	Other employees	Hours	6.3	6.6

Note:

9. The calculation method of the percentage of employees trained by category in the year: (the number of employees trained in the category in the year ÷ the total number of employees trained in the year) × 100%.

B4. Labour Standards

Prevention of Child and Forced Labour

The Group is principally engaged in fund management business and consultancy services, the nature of the Group’s activities involves a relatively small, highly skilled team of professionals working together. The Group strives to ensure that it can provide an attractive working environment and career opportunities to current and prospective employees. The Group also seeks to ensure that it upholds and promotes its values and has a positive impact through our work in our activities and interactions with third parties. The Group will check the identify of applicants when recruiting to prevent

child labour. If child labour or forced labour is found to be employed as a result of a breach of the Group’s hiring process and employment practices, the Group will immediately stop the work of the child labour or forced labour and conduct an investigation.

The Group’s hiring process and employment practices are designed to include appropriate checks to ensure compliance with all relevant laws. The Group strongly supports international efforts to prevent child labour and forced labour.

The Group outsources functions and engages consultants to fulfil operational needs and supplement or enhance the work undertaken by the Group's employees. Suppliers include international investment banks, financial data providers and other firms. The Group takes steps to prevent any indirect exposure to child labour and forced labour through due diligence on its suppliers and consultants. This includes preventing engagement with suppliers and consultants who have child or forced labour hiring records.

During FY2024, the Group was not aware of any material non-compliance with the relevant laws and regulations that would have a significant impact on the Group relating to preventing child and forced labour. The relevant laws and regulations include, but are not limited to, the Employment Ordinance of Hong Kong, the Fair Labor Standards Act of the US, the Labour Law of the Netherlands, the Employment Relations Act 1999 of the UK and the Employment Act of Singapore. During FY2024, the Group did not discover any exposure to child and forced labour in its operations (FY2023: Nil).

B5. Supply Chain Management

The Group outsources functions and engages consultants to fulfil its operational needs. The Group's Operational Controls Outline states that the selection of outsourced service providers and consultants is based on their assessed liabilities and capacities. The Group will initially determine whether a particular regulatory function is appropriate to outsource and evaluate the outsourcing risk, including, among other risks, information/recordkeeping security and consultant failure. The Group strictly followed the Operational Controls Outline to evaluate the business practices of its suppliers and vendors. An annual risk-based review was undertaken to assess the work product of suppliers. During FY2024, the number of suppliers evaluated by the Group was 4 (FY2023: 4). Furthermore, an annual risk-based review was undertaken to assess vendors' security controls, technical infrastructure, and

procedures to identify risks in each vendors' cybersecurity program. During FY2024, the number of vendors evaluated by the Group was 25 (FY2023: 25). The Group has evaluated its various suppliers and vendors including compliance consultants, prime/clearing brokers, fund administrator and custody banks.

The Group also intends to engage service providers and consultants who incorporate ESG issues into their policies and business development. The Group's primary service providers, Bank of America and Morgan Stanley, are financial institutions that focus on integrating sustainability into their core businesses and support functions and have already established relevant policies in relation to ESG issues. Bank of America has achieved carbon neutrality; Morgan Stanley commits to reach net-zero financed emissions by 2050. In addition, Bloomberg,

another significant service provider, has committed to sourcing 100% of its energy from renewable sources by 2025.

The Group periodically evaluates and monitors its practices relating to engaging suppliers, its practices used to identify environmental and social risks along the supply chain and its practices used to promote environmentally preferable products and services to ensure the effectiveness of the Group's quality and service standards. Should a supplier or vendor fall below the agreed standard, the cooperation may be terminated.

The abovementioned supplier engagement practises are reviewed regularly to ensure their effectiveness.

The number of suppliers and vendors of the Group by region is as follows:

Indicators		FY2024	FY2023
Total number of suppliers and vendors		175	168
By region	Hong Kong	48	41
	The US	45	44
	The Netherlands	30	24
	Singapore	14	16
	The UK	12	16
	Others	26	27

B6. Product and Service Responsibility

During FY2024, the Group was not aware of any non-compliance with laws and regulations that would have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress. The relevant laws and regulations include, but are not limited to, the Personal Data (Privacy) Ordinance of Hong Kong, the Securities and Futures Ordinance of Hong Kong, the Regulation S-P of U.S. Securities and Exchange Commission (“SEC”), the Part 160 of Commodity Futures Trading Commission (“CFTC”), the Rules 2-9, 2-13 and 2-29 of National Futures Association (“NFA”), the Investment Advisers Act of 1940 of US, the Financial Markets Supervision Act Amendment 2014 of the Netherlands, the Data Protection Act 2018 of the UK, the Consumer Protection (Trade Descriptions and Safety Requirements) Act of Singapore and the Personal Data Protection Act of Singapore. During FY2024, the Group did not receive any cases of product or service-related complaints (FY2023: Nil).

Cybersecurity and Data Protection

Protecting clients’ data is of paramount importance to the Group. Therefore, the Group strives to ensure the privacy and security of the collection and usage of all personal information. The Group’s Privacy Policy, which is based on the General Data Protection Regulation, provides clear standards and instructions for data processing, disclosure and retention. The rights of data subjects are specified in the policy, such as obtaining access, obtaining restriction of processing, objecting to processing and so on. The Group has also adopted the comprehensive Written Information Security Policy (“WISP”) in accordance with the increased regulatory attention to the process of protecting information by preventing, detecting, and responding to the loss of sensitive data in the investment management space.

Access to sensitive data and the Group's network is granted only when necessary. A formal registration procedure has been established to grant and revoke access to sensitive data. Each employee who has access to sensitive data is responsible for the confidentiality, integrity and availability of the data. If the compliance officer determines that an employee or third party has violated the WISP, the compliance officer or members of senior management may impose sanctions and/or take other action as deemed appropriate, which may include termination of employment or contract. Additionally, confidential sensitive data cannot be disclosed to any other individual without documented appropriate permission from the Group's management level. Standards concerning the protection of sensitive data on removable media (including USB drives, flash memory cards and portable hard drives) are in place.

The Group's chief technology officer is responsible for coordinating and maintaining the WISP and the compliance team is responsible for assisting the chief technology officer in administering the policy and the procedures adopted therein.

Furthermore, the Group has implemented a framework for ensuring that all systems and applications are kept up-to-date with critical security patches. The Group's cybersecurity service provider performs technical assessments, such as vulnerability assessments, to identify systems that may be missing required patches in a manner that will not adversely impact production systems on a regular basis. Procedures have also been implemented to identify and manage or correct possible areas of vulnerability in the system's security procedures, design, implementation of internal controls that could result in a security breach or a violation of the WISP.

The Group's Incident Response Plan ("IRP") details the resolution phases and reporting procedures in case of information security incidents. The IRP documents, monitors and reviews information security incidents and/or breaches and provides a framework for future improvement.

The practises are reviewed regularly to ensure their effectiveness.

Stability of Technology Platform

As digital technology advances, it plays an increasingly more significant role in how the Group delivers services to its clients. Therefore, the resilience and stability of the systems are directly correlated to the quality of the services that the Group provides.

The Group has developed its in-house proprietary platform to support its distinctive and active trading strategy and enable real-time pricing of implied volatilities, quantitative

comparisons, risk management as well as speedy execution of trades. The proprietary technology significantly reduces the reliance on external technology suppliers, and when combined with the Group's experienced information technology team, the two elements effectively enhance the Group's control over internal technology risks. The technology platform utilises cloud-native technologies with abundant redundancies to ensure it supports seamless 24/5 trading without

disruptions, even during times when various software or applications are being updated.

To ensure the risk of business disruption is maintained at the lowest level, the Group has implemented and maintained the Business Continuity and Disaster Recovery Plan ("BCDR Plan") which outlines procedures in the event of an internal or external emergency or significant business disruption.

In order to ensure that the Group is compliant with SFC, SEC, CFTC and NFS' requirements in relation to internal controls and management systems, the Group has adopted certain internal control system and procedures which are implemented in part of its operations.

Conduct and Compliance

As a financial services corporation, ensuring sound practices is inherent to protecting the assets of its clients and investors and the Group's continued success. The Group also operates in a highly regulated industry and therefore places a strong emphasis on internal controls and compliance. During FY2024, the Group was not engaged in any litigation, claim or arbitration proceeding of material importance and has complied with all applicable legislation, regulations, rules, codes, guidelines and permits and licence requirements in the jurisdictions in which the Group operates. The Group has established the Code of Ethics to ensure ethical and responsible business conduct. The said code emphatically states that the interest of its clients must be placed first at all times, employees should not take

inappropriate advantage of their positions and must comply with all applicable securities laws.

Complaint Management and Customer Satisfaction

The Group highly values feedback from its clients, whether positive or negative. Feedback can help the Group to continually improve and develop to better serve its clients' needs.

The Group is committed to ensuring compliance and customer satisfaction and has established complaint procedures to ensure that all complaints are properly handled in a consistent manner.

In the event a complaint is received, the compliance team will strive to handle it in a timely and appropriate manner. The compliance team is responsible for maintaining a register of any complaints that may be received, which is reviewed periodically by senior management. If a complaint is not remedied promptly, the client or investor is advised of any further steps which may be available under the relevant regulatory system. All complaints and

the handling of such are presented to the chief executive officer and chairman, co-chief investment officers and chief technology officer.

Intellectual Property ("IP") Rights

The Group obtained registration of the Group's trademarks in Hong Kong; the domain name was also registered. The Group respects and regularly monitors to ensure that IP rights are not being infringed upon.

Advertising and Labelling

The Group's Compliance Manual provides a comprehensive guideline on advertising matters. In addition to prohibiting fraudulent, deceptive or manipulative advertising, the advertising materials must be approved by the chief compliance officer or a director who did not prepare the materials.

Product Health and Safety

As an investment holding company, the Group mainly provide fund management and consultancy services. The disclosure of the information relating to total products sold or shipped subject to recalls and recall procedures is not applicable due to the Group's business nature.

B7. Anti-corruption

Solid corporate governance is the bedrock of the Group's growth and development. The Group does not tolerate illegal or unethical conduct that not only violates relevant laws and regulations but also places the business integrity and reputation of the Group in jeopardy.

During FY2024, the Group was not aware of any material non-compliance with the relevant laws and regulations that would have a significant impact on the

Group relating to bribery, extortion, fraud and money laundering. The relevant laws and regulations include, but are not limited to, the Prevention of Bribery Ordinance of Hong Kong, the Anti-Money Laundering and Counter-Terrorist Financing Ordinance of Hong Kong, the Foreign Corrupt Practices Act of the US, the Dutch Criminal Code of the Netherlands, the foreign and domestic bribery laws of the UK and the Prevention of Corruption Act of Singapore.

There were no concluded legal cases regarding corrupt practices brought against the Group's issuer or its employees during FY2024 (FY2023: Nil).

AML and CFT

The Group does not tolerate any deliberate breach of applicable financial crime laws and regulations, such as bribery, extortion, fraud and money laundering. The Code of Ethics sets forth standards of conduct expected of the Group's employees and reflects employees' and the Group's fiduciary duty to the Group's clients.

Various policies and procedures have also been implemented and extensively reported to ensure compliance with Hong Kong, Cayman Island and the US AML legislation and regulations. An AML Program ("**AML Program**"), amongst other procedures, has been adopted to comply with the Group's obligations. The chief compliance officer is responsible for overseeing compliance with the AML Program, which includes procedures that apply to existing and prospective investors in the funds managed by the Group.

New employees are required to undergo AML training during the initiation and training programme, all employees are required to take part in the mandatory AML training every calendar year.

As such, the Group has set out comprehensive policy and procedures on money laundering and terrorist financing in its compliance manual with the section headed "Money Laundering and Terrorist Financing" which are specifically designed to ensure employees fully understand their obligations and responsibilities at work. The senior management ensures the implementation of AML/CFT systems, including through annual mandatory AML training for all employees and the delegation of AML/CFT duties to an administrator as well as the appointment of a manager-in-charge ("**MIC**") for AML who also fills the role of money laundering reporting officer.

Furthermore, a risk-based approach Customer Due Diligence Policy has been established to identify the types of clients and investors who are likely to pose a higher-than-average risk of money laundering and terrorist financing. An enhanced customer due diligence process is adopted for customers, business relationships or transactions that pertain to higher risk categories.

Anti-corruption Training

Anti-corruption and ethics training is essential for creating a healthy corporate culture. Apart from providing employees with clear guidance on the prevention of corrupt practices via the Group's policies, the Group also ensures execution of good practices via arranging anti-corruption training for all directors and managers at least once every year.

One of the ways to provide anti-corruption training is by providing annual AML and Code of Ethic training provided by a global consultancy firm to update with employees and directors on the AML practice in the region the Group operates. A quiz was designed to test the employees' knowledge. The reading materials and quiz allowed them to understand the anti-corruption laws and promote business ethics. In addition, the Group's directors attend regular corporate governance training, which covers knowledge of anti-corruption legislation as well as necessary skills to handle ethical dilemmas at the workplace. During the Reporting Period, 7 directors (including independent directors) received approximately 7 hours of anti-corruption training. During the Reporting Period, 16 employees received approximately 16 hours of anti-corruption training.

Acceptance of Gifts

Employees should not solicit or accept any advantage for themselves or others, from any person or firm that have business dealings with the Group. The Anti-bribery, Gifts and Entertainment Policy mandates that an employee should not receive or agree to any financial or other benefits from third parties, either directly or

indirectly, which could be considered connected to his/her activities at or for the Group. Bribery, fraud and corruption in any form or in relation to any parties are all strictly prohibited in the Group.

Whistle-blowing Mechanism

The Whistle-blowing Policy has been established and covers the treatment of all concerns or complaints relating to suspected improper activities. The said policy aims to provide employees with guidance and reporting procedures to encourage employees to report fraudulent activities. Whistle blowers are encouraged to promptly report suspected improper activity to the Chief Compliance Officer (“CCO”) for investigation. In the event that the suspected improper activity involves the CCO, whistle blowers are advised to promptly report such activity to the Chair of the Risk Committee. Upon receipt of a report, the CCO or Risk Committee Chair, as

the case may be, will without delay evaluate the validity and relevance of the concerns raised, and decide if a full investigation is necessary. If a full investigation is warranted, an investigation team will be appointed and the Company’s Audit Committee Chair will be notified. To monitor the effectiveness of the Whistleblowing Policy, all reports are reviewed regularly to identify any pattern of alleged improprieties that need to be addressed.

The Group intends to protect the whistle-blower from common concerns such as confidentiality and potential retaliation or discrimination. Therefore, the employee reporting in good faith under the whistle-blowing mechanism can be assured of the protection against unfair dismissal or victimisation, even if the reports are subsequently proved to be unsubstantiated. The Whistle-blowing Policy is reviewed regularly to ensure its effectiveness.

B8. Community Investment

Active Community Participation

As a responsible corporate citizen, the Group recognises the importance of contributing to the community where it operates. The Group follows its ESG Policy to nurture the corporate culture and encourage its employees to engage in community services and voluntary activities to give back to the members of the public.

The ESG Reporting Guide Content Index of SEHK

Mandatory Disclosure Requirements	Sections
Governance Structure	Chairman's Statement Governance for Sustainability
Reporting Principles	Reporting Principles
Reporting Boundary	Reporting Standards and Scope

"Comply or explain" Provision

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	A1. Emissions
KPI A1.1	The types of emissions and respective emissions data.	A1. Emissions – Air Pollutant Emissions (not applicable and explained)
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and intensity.	A1. Emissions – GHG Emissions

The ESG Reporting Guide Content Index of SEHK

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect A1: Emissions (cont'd)		
KPI A1.3	Total hazardous waste produced (in tonnes) and intensity.	A1. Emissions – Waste Management (not applicable and explained)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and intensity.	A1. Emissions – Waste Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	A1. Emissions – GHG Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	A1. Emissions – Waste Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	A2. Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	A2. Use of Resources – Energy Efficiency
KPI A2.2	Water consumption in total and intensity.	A2. Use of Resources – Water Consumption (not applicable and explained)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	A2. Use of Resources – Energy Efficiency
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	A2. Use of Resources – Water Consumption (Water efficiency targets are not applicable and explained)
KPI A2.5	Total packaging material used for finished products (in tonnes) and with reference to per unit produced.	A2. Use of Resources – Use of Packaging Materials (not applicable and explained)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer’s significant impacts on the environment and natural resources.	A3. The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	A3. The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	A4. Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	A4. Climate Change
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	B1. Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	B1. Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	B1. Employment

The ESG Reporting Guide Content Index of SEHK

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	B2. Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	B2. Health and Safety – Zero Workplace Accidents
KPI B2.2	Lost days due to work injury.	B2. Health and Safety – Zero Workplace Accidents
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	B2. Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	B3. Development and Training – Continuous Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	B3. Development and Training – Continuous Training and Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	B3. Development and Training – Continuous Training and Development

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	B4. Labour Standards – Prevention of Child and Forced Labour
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	B4. Labour Standards – Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	B4. Labour Standards – Prevention of Child and Forced Labour
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	B5. Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	B5. Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	B5. Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	B5. Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	B5. Supply Chain Management

The ESG Reporting Guide Content Index of SEHK

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect B6: Product Responsibility		
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	B6. Product and Service Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	B6. Product and Service Responsibility – Product Health and Safety (not applicable and explained)
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	B6. Product and Service Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	B6. Product and Service Responsibility – IP Rights
KPI B6.4	Description of quality assurance process and recall procedures.	B6. Product and Service Responsibility – Stability of Technology Platform
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	B6. Product and Service Responsibility – Cybersecurity and Data Protection

Subject Areas, Aspects, General Disclosures and KPIs	Description	Sections/Remarks
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	B7. Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	B7. Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	B7. Anti-corruption – Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	B7. Anti-corruption – Anti-corruption Training
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	B8. Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	B8. Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	B8. Community Investment

Ralph Paul Johan van Put
Chairman and Chief Executive Officer

Hong Kong, 28 March 2025

As at the date of this report, the Board comprises Mr. Ralph Paul Johan van Put, Mr. Godefriedus Jelte Heijboer, Mr. Tobias Benjamin Hekster and Mr. Roy van Bakel, each as an executive Director and Mr. Jeronimus Mattheus Tielman, Ms. Wan Ting Pai and Mr. Ming Tak Ngai, each as an independent non-executive Director.

This report will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for a minimum period of seven days from the date of its publication. This report will also be published on the Company’s website at www.truepartnercapital.com.

In the case of inconsistency, the English text of this report shall prevail over the Chinese text.

Independent auditor's report to the shareholders of True Partner Capital Holding Limited

True Partner Capital Holding

(Incorporated in the Cayman Islands with limited liability)

大信梁學濂(香港)會計師事務所有限公司

PKF
Accountants &
business advisers

26/F, Citicorp Centre
18 Whitfield Road
Causeway Bay
Hong Kong

Opinion

We have audited the consolidated financial statements of True Partner Capital Holding Limited and its subsidiaries (together the “**Group**”) set out on pages 140 to 196, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “**Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report to the shareholders of True Partner Capital Holding Limited

(Incorporated in the Cayman Islands with limited liability)

Key audit matters (cont'd)

Key audit matter

- management fee income recognition

For the year ended 31 December 2024, the Group recognised management fee income of HK\$5,711,000.

We focused on this area due to the significance of the amounts and the risks arising from the manual process involved in fee income recognition.

The calculation of management fee income is largely a manual process and there is an inherent risk of material misstatement due to the following:

- a. Interpretation of contractual terms from the relevant prospectus or investment management agreements;
- b. Manual input of key contractual terms and fee rates in relevant spreadsheets; and
- c. Manual input of details of assets under management obtained from the third party fund administrators.

The Group's disclosures of management fee income are detailed in note 6 to the consolidated financial statements.

How our audit addressed the key audit matter

1. We obtained an understanding and tested for implementation, on a sample basis, of the key controls in place over the calculation of management fee income;
2. We reviewed the independent internal control report issued on the major third party fund administrator; and
3. We obtained an understanding and tested for implementation, on a sample basis, of the controls in place over the maintenance of records of assets under management, including the reconciliation to custodian statements.

We also performed the following tests on a sample basis:

1. We reviewed the key contractual terms and agreed the fee rates against the contractual terms from the relevant prospectus or investment management agreements;
2. We tested the accuracy of the records of assets under management by inspecting relevant third party custodian statements;
3. We tested the mathematical accuracy of the fee calculations by re-calculation;
4. We tested the settlement of the fee income by inspecting supporting documents in relation to cash receipts; and
5. We performed cut-off test on fee income by inspecting relevant third party custodian statements.

Independent auditor's report to the shareholders of True Partner Capital Holding Limited

True Partner Capital Holding

(Incorporated in the Cayman Islands with limited liability)

Other information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors and those charged with governance for the consolidated financial statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements

of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Independent auditor's report to the shareholders of True Partner Capital Holding Limited

(Incorporated in the Cayman Islands with limited liability)

Auditor's responsibilities for the audit of the consolidated financial statements (cont'd)

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Independent auditor's report to the shareholders of True Partner Capital Holding Limited

True Partner Capital Holding

(Incorporated in the Cayman Islands with limited liability)

Auditor's responsibilities for the audit of the consolidated financial statements (cont'd)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditor's report is Hui Lai King (Practising Certificate Number: P03499).

PKF Hong Kong Limited

Certified Public Accountants
Hong Kong

28 March 2025

Consolidated statements of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
Revenue	6	9,569	13,289
Other income and loss	6	1,343	1,220
Direct costs		(975)	(1,602)
Net gain on financial assets at fair value through profit or loss		198	210
General and administrative expenses		(57,899)	(78,336)
Finance costs	7	(55)	(122)
Share of results of associates		(576)	(204)
		<u> </u>	<u> </u>
Loss before income tax	8	(48,395)	(65,545)
Income tax expense	11	(111)	(1,456)
		<u> </u>	<u> </u>
Loss for the year attributable to owners of the Company		<u>(48,506)</u>	<u>(67,001)</u>
Other comprehensive (expense)/income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(962)	491
Release of exchange reserve upon disposal of an associate		(7)	-
		<u> </u>	<u> </u>
Other comprehensive (expense)/income		<u>(969)</u>	<u>491</u>
Total comprehensive expense for the year attributable to owners of the Company		<u>(49,475)</u>	<u>(66,510)</u>
Loss per share (HK cents)	13	<u>(12.13)</u>	<u>(16.75)</u>

Consolidated statements of financial position

True Partner Capital Holding

As at 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
Non-current assets			
Plant and equipment	14	-	-
Right-of-use assets	15	-	-
Intangible assets	16	-	-
Investments in an associate	17	-	1,864
Financial assets at fair value through profit or loss	19	-	16,759
		<u>-</u>	<u>18,623</u>
Current assets			
Derivative financial assets	19	577	839
Accounts receivable	20	2,540	1,738
Other receivables	21	3,121	6,847
Deposits placed with brokers		12,786	8,921
Tax recoverable		1,143	1,774
Fixed bank deposit		112	418
Cash and cash equivalents	22	32,475	66,048
		<u>52,754</u>	<u>86,585</u>
Asset classified as held for sale	18	470	470
		<u>53,224</u>	<u>87,055</u>
Current liabilities			
Accruals and other payables	23	6,775	8,332
Financial liabilities at fair value through profit or loss	19	-	1
Derivative financial liabilities	19	311	306
Lease liabilities	24	353	1,367
Tax liabilities		-	59
		<u>7,439</u>	<u>10,065</u>
Net current assets		<u>45,785</u>	<u>76,990</u>
Total assets less current liabilities		<u>45,785</u>	<u>95,613</u>
Non-current liability			
Lease liabilities	24	-	353
Net assets		<u>45,785</u>	<u>95,260</u>

Consolidated statements of financial position (cont'd)

As at 31 December 2024

	Note	2024 HK\$'000	2023 HK\$'000
Capital and reserves			
Share capital	25	157,074	157,074
Reserves	27	(111,289)	(61,814)
Total equity		<u>45,785</u>	<u>95,260</u>

The consolidated financial statements were approved and authorised for issue by the board of directors of the Company on 28 March 2025 and signed on its behalf by:

Ralph Paul Johan van Put
Chairman

Godefriedus Jelte Heijboer
Director

Consolidated statements of changes in equity

True Partner Capital Holding

For the year ended 31 December 2024

	Reserves							Total equity
	Share capital	Share premium	Group reorganisation reserve	Exchange reserve	Capital reserve (Note (i))	Share option reserve	Retained profits/(accumulated losses)	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1.1.2023	4,000	153,074	1,145	(1,076)	(1,093)	4,099	1,621	161,770
Loss for the year	-	-	-	-	-	-	(67,001)	(67,001)
Other comprehensive income	-	-	-	491	-	-	-	491
Total comprehensive expense for the year	-	-	-	491	-	-	(67,001)	(66,510)
Share options lapsed	-	-	-	-	-	(4,099)	4,099	-
At 31.12.2023 and 1.1.2024	4,000	153,074	1,145	(585)	(1,093)	-	(61,281)	95,260
Loss for the year	-	-	-	-	-	-	(48,506)	(48,506)
Other comprehensive expense	-	-	-	(962)	-	-	-	(962)
Disposal of investments in an associate	-	-	-	(7)	-	-	-	(7)
Total comprehensive expense for the year	-	-	-	(969)	-	-	(48,506)	(49,475)
At 31.12.2024	4,000	153,074	1,145	(1,554)	(1,093)	-	(109,787)	45,785

Note:

(i) Capital reserve represents equity transaction between the Group and the non-controlling interests.

Consolidated statements of cash flows

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
Cash flows from operating activities		
Loss before income tax	(48,395)	(65,545)
Adjustments for:		
Fair value gain arising from financial instruments at fair value through profit or loss	(198)	(210)
Net gain on fair value changes of derivatives	(1,873)	(18)
Amortisation of intangible assets	–	289
Depreciation of plant and equipment	–	1,569
Depreciation of right-of-use assets	–	1,348
Dividends from equity investments	–	(247)
Impairment loss on non-current assets	–	4,012
Interest income	(1,020)	(507)
Interest expense	55	122
Share of results of associates	576	204
Loss on disposal of investments in an associate	208	–
	<hr/>	<hr/>
Operating loss before working capital changes	(50,647)	(58,983)
Changes in working capital:		
Accounts receivables	(802)	3,427
Other receivables	1,725	(1,825)
Deposits placed with brokers	(1,864)	(8,326)
Accruals and other payables	(1,557)	(553)
	<hr/>	<hr/>
Cash used in operations	(53,145)	(66,260)
Interest received	1,020	507
Payments arising from option premiums and net settlement of derivatives	2,140	(515)
Hong Kong profits tax (paid)/refunded	(83)	536
Overseas income tax refunded	543	–
	<hr/>	<hr/>
Net cash used in operating activities	(49,525)	(65,732)
Cash flows from investing activities		
Proceeds from disposal of financial assets at fair value through profit and loss	16,957	10,337
Proceeds from disposal of an associate	1,087	–
Placement of fixed bank deposits	(518,988)	(279,984)
Withdrawal of fixed bank deposits	519,188	279,566
Purchases of plant and equipment	–	(606)
Purchases of intangible asset	–	(18)
Dividends from equity investments	–	247
	<hr/>	<hr/>
Net cash from investing activities	18,244	9,542

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
Cash flows from financing activities		
Principal element of lease rentals payment	(1,367)	(1,338)
Interest element of lease rentals payment	(55)	(122)
Net cash used in financing activities	(1,422)	(1,460)
Net decrease in cash and cash equivalents	(32,703)	(57,650)
Cash and cash equivalents at beginning of the year	66,048	122,710
Effect of foreign exchange rate changes	(870)	988
Cash and cash equivalents at end of the year	32,475	66,048
Analysis of the balance of cash and cash equivalents		
Cash at bank	32,475	66,048

Notes to the consolidated financial statements

1. Corporate information

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is located at the offices of Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands and its principal place of business is located at Suite A123, 16/F, Tower 5, The Gateway, Harbour City, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in fund management business, derivative trading and providing consultancy services.

The shares of the Company are listed on the GEM of The Stock Exchange of Hong Kong Limited (“**The Stock Exchange**”) on 16 October 2020.

2. Basis of preparation

The consolidated financial statements has been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosures required by the Rules Governing the Listing of securities on GEM of The Stock Exchange.

(a) Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and Related Amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and amendments to HKFRSs in issue but not yet effective

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

Amendments to HKAS 21	Lack of Exchangeability ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 9 and HKFRS 7: Disclosures	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS Accounting Standard HKFRS 18	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³ Presentation and Disclosure in Financial Statements ⁴

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

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

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

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

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

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

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

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made. HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. Material accounting policy information

(a) Basis of consolidation

The consolidated financial statements present the financial information of the Company and entities controlled by the Company and its subsidiaries as if they are a single economic entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements.

In the statement of financial position of the Company, investments in subsidiaries are stated at cost less impairment losses.

(c) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5.

3. Material accounting policy information (cont'd)

(c) Associates (cont'd)

Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate until the date on which significant influence ceases or it is classified as asset held for sale. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss.

3. Material accounting policy information (cont'd)

(d) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment loss.

Depreciation is calculated to write off the cost of plant and equipment on a straight-line basis over their estimated useful lives:

Furniture and fixtures	- 20% to 33 $\frac{1}{3}$ %
Computer equipment	- 33 $\frac{1}{3}$ %
Office equipment	- 20% to 33 $\frac{1}{3}$ %
Leasehold improvements	- over the lease term

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

(e) Intangible assets

Intangible assets represent licence cost of software and cost of self-developed software.

Intangible asset is stated at cost less accumulated amortisation and impairment losses.

Amortisation is calculated using the straight-line method to allocate the cost over the estimated useful life of 3 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(f) Financial assets

The Group classifies its financial assets into one of the following measurement categories at initial recognition as subsequently measured at: fair value through profit or loss ("FVPL"), amortised cost and fair value through other comprehensive income ("FVOCI"). The classification depends on the Group's business model for managing its financial instruments and the contractual cash flow characteristics of the instruments, or the election of fair value option. All financial assets are recognised initially at fair value plus any directly attributable transaction costs except for accounts receivable arising from contracts with customers which are initially measured in accordance with HKFRS 15 *Revenue from contract with customer*.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial assets at amortised cost

Financial assets are classified as subsequently measured at amortised cost if both of the following conditions are met: (i) the financial assets are held within a business model with the objective to collect contractual cash flows ("hold-to-collect" business model), and (ii) the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates. Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method less allowances for expected credit losses. Interest income which includes the amortisation of premium or discount is calculated using the effective interest method and is recognised in the profit or loss, gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

3. Material accounting policy information (cont'd)

(f) Financial assets (cont'd)

Financial assets at FVPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI or designated as FVOCI are measured at FVPL.

Financial assets at FVPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

(g) Receivables

Receivables are recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before the payment of consideration is due. They are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less allowance for expected credit losses.

(h) Expected credit losses (“ECLs”)

Impairment of financial assets subject to impairment assessment under HKFRS 9 *Financial Instruments*

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets including accounts and other receivables, deposits placed with brokers and cash and cash equivalent which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for accounts receivable without significant financing component.

3. Material accounting policy information (cont'd)

(h) Expected credit losses (“ECLs”) (cont'd)

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor’s ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor’s ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. Material accounting policy information (cont'd)

(h) Expected credit losses (“ECLs”) (cont'd)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for accounts receivable are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

3. Material accounting policy information (cont'd)

(i) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that these non-financial assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(j) Cash and cash equivalents

Cash and cash equivalents are short-term, highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Payables and accruals

Payables and accruals are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, unless the effect of discounting would be immaterial in which case they are stated at cost.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(l) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3. Material accounting policy information (cont'd)

(l) Provisions and contingent liabilities (cont'd)

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

(m) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service.

(i) Management and performance fee income is recognised over time using input method with reference to time elapsed, which faithfully depicts the relative value of the services provided to customer to date. Management fee is determined based on the net assets value under management. Performance fee is receivable if and when certain conditions are met. The performance fee is variable consideration which is only included in the transaction price if it is highly probable that the amount of revenue recognised would not be subject to significant future reversals as a result of subsequent re-estimation;

(ii) Consultancy service fee income is recognised at a point in time when the relevant services have been rendered.

(iii) Dividend income is recognised when the right to receive payment is established; and

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

(n) Employee benefits

Salaries, annual bonuses, annual leave entitlements and the cost to the Group of non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

Obligations for contributions to defined contribution retirement plans are recognised as an expense in profit or loss as the related service is provided.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

(o) Income tax

Income tax expense represents the sum of current and deferred tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes items that are never taxable and deductible.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. Material accounting policy information (cont'd)

(o) Income tax (cont'd)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case the current and deferred tax is also dealt with in other comprehensive income or directly in equity respectively.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the right-of-use assets, no temporary differences arise on initial recognition.

(p) Foreign currencies translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entities operate (the “**functional currency**”). These consolidated financial statements are presented in Hong Kong dollar (the “**presentation currency**”), which is the Company’s functional currency.

(ii) Transactions and balances

Foreign currency transactions during the period are translated into functional currency at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rates ruling at the end of the reporting period. Differences arising from settlement and retranslation of monetary items are dealt with in profit or loss.

3. Material accounting policy information (cont'd)

(p) Foreign currencies translation (cont'd)

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the end of that reporting period;
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

(q) Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at the inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Short-term leases

The Group applies the short-term lease recognition exemption to leases that has a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight line basis over the lease term.

Right-of-use assets

Except for short-term leases, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

3. Material accounting policy information (cont'd)

(q) Leases (cont'd)

Right-of-use assets (cont'd)

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

(r) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. Material accounting policy information (cont'd)

(s) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving disposal of an investment in an associate, the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment is classified as held for sale.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

(t) Related parties

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

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

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

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

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4. Significant accounting judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

(a) Deferred taxes

No deferred tax asset has been recognised on the tax losses of HK\$189,819,000 and decelerated depreciation allowance of HK\$3,393,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits will be available in the future or taxable temporary differences are expected to reverse in the same period as the expected reversal of the deductible temporary differences, which is a key source of estimation uncertainty. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

(b) Impairment of non-financial assets

The Group has to exercise judgement in determining whether a non-financial asset is impaired or the event previously causing the asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of a non-financial asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test.

5. Segment information

Information reported to the executive directors, being the chief operating decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on revenue for each type of services provided. CODM considers the business from service perspectives whereby assesses the performance of the services based on revenue generated in the course of the ordinary activities of a recurring nature of the Group.

During the prior year, the Group commenced the business engaging in derivative trading which would be considered as a new operating and reportable segment by the CODM. However, the transactions and amounts involved in the prior year were immaterial and therefore did not meet the quantitative thresholds for reportable segments. Accordingly, this business was grouped together with the segment of asset management and consultancy service in the prior year.

In the current year, the transactions and amounts involved with this business meet the quantitative thresholds for reportable segments and are provided as such. For the prior year, segment disclosures have been represented to conform with the current year’s presentation.

For the year ended 31 December 2024

SEGMENT REVENUE	<i>Asset management and consultancy services HK\$'000</i>	<i>Derivative trading HK\$'000</i>	<i>Consolidated HK\$'000</i>
Revenue	7,696	1,873	9,569
Segment profit	6,852	1,742	8,594
Share of results of an associate			(576)
Unallocated other income, gain and loss			1,541
Unallocated corporate expenses			(57,954)
Group’s loss before tax			<u>(48,395)</u>

For the year ended 31 December 2023

	<i>Asset management and consultancy services HK\$'000</i>	<i>Derivative trading HK\$'000</i>	<i>Consolidated HK\$'000</i>
Revenue	13,271	18	13,289
Segment profit/(loss)	11,722	(35)	11,687
Share of results of associates	–	–	(204)
Unallocated other income and gain	–	–	1,430
Unallocated corporate expenses			(78,458)
Group’s loss before tax			<u>(65,545)</u>

5. Segment information (cont'd)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4.

Segment profit/(loss) represents the profit earned by each segment without allocation of central administration costs, directors' emoluments, share of results of associates and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

(a) Geographical information

The Company is domiciled in the Cayman Islands with the Group's major operations in Hong Kong. In order to maximise trading opportunities in different stock markets around the world, the Group also has trading offices in Chicago and The Netherlands.

Geographical information of revenue during the year based on the location of the operations is as follows:

	2024 HK\$'000	2023 HK\$'000
Hong Kong	6,880	9,664
Chicago	2,689	3,625
	9,569	13,289

(b) Information about major customers

During the year, revenue from major customers who contributed over 10% of the total revenue of the Group are as follows:

	2024 HK\$'000	2023 HK\$'000
Customer A	2,399	1,600
Customer B	2,334	7,264
Customer C	1,944	N/A ⁽¹⁾
Customer D	N/A⁽¹⁾	1,509
Customer E	N/A⁽¹⁾	2,025

⁽¹⁾ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. Revenue, other income and loss

Revenue

	2024 HK\$'000	2023 HK\$'000
Fee income from asset management services		
Management fee income	5,711	12,387
Performance fee income	41	11
	<u>5,752</u>	<u>12,398</u>
Fee income from consultancy services	<u>1,944</u>	873
	<u>7,696</u>	<u>13,271</u>
Other source:		
Net gain on derivatives	<u>1,873</u>	18
Total revenue	<u><u>9,569</u></u>	<u><u>13,289</u></u>

Timing of revenue recognition:

	2024 HK\$'000	2023 HK\$'000
At a point in time	1,944	873
Over time	<u>5,752</u>	<u>12,398</u>
	<u><u>7,696</u></u>	<u><u>13,271</u></u>

Notes to the consolidated financial statements (cont'd)

6. Revenue, other income and loss (cont'd)

Other income and loss

	2024 HK\$'000	2023 HK\$'000
Interest Income	1,020	507
Dividends from financial assets at FVPL	–	247
Redemption cost charged to customers	475	457
Loss on disposal of investments in an associate	(208)	–
Sundry income	56	9
	<u>1,343</u>	<u>1,220</u>

7. Finance costs

	2024 HK\$'000	2023 HK\$'000
Interest on lease liabilities	<u>55</u>	<u>122</u>
	<u>55</u>	<u>122</u>

8. Loss before income tax

	2024 HK\$'000	2023 HK\$'000
Loss before income tax is arrived at after charging:		
Amortisation of intangible assets	–	289
Auditor's remuneration	1,100	1,137
Depreciation of plant and equipment	–	1,569
Depreciation of right-of-use assets	–	1,348
Impairment loss of non-financial assets included in general and administrative expenses	–	4,012
Employee benefits (including directors' remuneration)		
– Salaries and other benefits	30,454	44,220
– Pension scheme contributions (Note a)	1,169	1,665
	31,623	45,885
Exchange loss	825	65
Short-term lease expenses	1,366	1,924

Note a: During the years ended 31 December 2024 and 2023, there were no contributions forfeited by the Group on behalf of its employees who left the plan prior to vesting fully in such contributions, nor had there been any utilisation of such forfeited contributions to reduce future contributions. As at 31 December 2024 and 2023, no forfeited contributions were available for utilisation by the Group to reduce the existing level of contribution.

9. Directors' remuneration

Directors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

	<i>Fees</i> <i>HK\$'000</i>	<i>Salaries and allowances</i> <i>HK\$'000</i>	<i>Pension scheme contributions</i> <i>HK\$'000</i>	<i>Discretionary bonus</i> <i>HK\$'000</i>	<i>Total</i> <i>HK\$'000</i>
Year ended 31 December 2024					
<i>Executive directors:</i>					
Mr. Van Put	–	4,200	–	–	4,200
Mr. Heijboer	–	3,480	18	–	3,498
Mr. Hekster	–	2,968	140	–	3,108
Mr. Van Bakel	–	2,046	–	–	2,046
<i>Independent non-executive directors:</i>					
Mr. Jeronimus Mattheus Tielman	431	–	–	–	431
Ms. Wan Ting Pai	431	–	–	–	431
Mr. Ming Tak Ngai	431	–	–	–	431
	<u>1,293</u>	<u>12,694</u>	<u>158</u>	<u>–</u>	<u>14,145</u>
Year ended 31 December 2023					
<i>Executive directors:</i>					
Mr. Van Put	–	5,282	–	–	5,282
Mr. Heijboer	–	4,929	18	–	4,947
Mr. Hekster	–	5,111	145	–	5,256
Mr. Van Bakel	–	2,385	–	–	2,385
<i>Independent non-executive directors:</i>					
Mr. Jeronimus Mattheus Tielman	427	–	–	–	427
Ms. Wan Ting Pai	427	–	–	–	427
Mr. Ming Tak Ngai	427	–	–	–	427
	<u>1,281</u>	<u>17,707</u>	<u>163</u>	<u>–</u>	<u>19,151</u>

9. Directors' remuneration (cont'd)

Four executive directors received US\$1 each of directors' fee for the years ended 31 December 2024 and 2023.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

For the years ended 31 December 2024 and 2023, no emoluments was paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

10. Five highest paid employees

The five highest paid individuals during the year are as follows:

	<i>Number of individuals</i>	
	2024	2023
Director	4	4
Non-director	1	1
	5	5

Details of the directors' remuneration are set out in Note 9 above.

Details of the remuneration of the remaining highest paid non-director individual are as follows:

	2024	2023
	HK\$'000	HK\$'000
Salaries, allowances and other benefits	3,171	3,686
Discretionary bonus	-	-
	3,171	3,686

11. Income tax expense

(a) Income tax expense for the year represents:

	2024 HK\$'000	2023 HK\$'000
Current tax – Hong Kong		
Provision for the year	114	215
Over-provision in prior year	(3)	(12)
Deferred tax		
Current year	–	1,253
	<u>111</u>	<u>1,456</u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which the group entities are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

For the group entities that are domiciled and operate in Hong Kong, Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit arising in or derived from Hong Kong for both years, except for a subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

For the group entities that are domiciled and operate in the United States, they are subject to corporate income tax in the United States. The applicable federal income tax rate is 21% on taxable income and the applicable state income tax rate is 9.5% on State taxable income. No tax provision has been made on these group entities as there is no estimated taxable profits for both years.

For the group entities that are domiciled and operate in the Netherlands, they are subject to corporate tax rate of 19% on taxable profits up to EUR200,000 for both years. The corporate income tax rate is 25.8% for the taxable profits exceeding EUR200,000 for both years. No tax provision has been made on these group entities as there is no estimated taxable profits for both years.

For the group entity that is domiciled and operate in Singapore, it is subject to corporate tax rate of 17% on taxable profits. No tax provision has been made on this group entity as there is no estimated taxable profits for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% for both years. No tax provision has been made on this group entity as there is no estimated taxable profits for both years.

11. Income tax expense (cont'd)

(b) Income tax expense for the year can be reconciled to the loss before income tax as follows:

	2024	2023
	HK\$'000	HK\$'000
Loss before income tax	(48,395)	(65,545)
Tax effect at the profits tax rate of 16.5%	(7,985)	(10,815)
Tax effect of income that is not taxable	(271)	125
Tax effect of expense that is not deductible	505	536
Tax effect of unrecognised temporary differences	(299)	207
Tax effect of unrecognised tax losses	10,448	12,985
Utilisation of tax losses previously not recognised	(111)	(92)
Tax concession	(158)	(165)
Over provision in prior year	(3)	(12)
Effect of tax rates in foreign jurisdictions	(1,668)	(1,248)
Others	(347)	(65)
Income tax expense	111	1,456

12. Dividend

No dividend was paid or proposed during the year ended 31 December 2024 nor has any dividend been proposed since the end of the reporting period (2023: Nil).

13. Loss per share

The calculation of the basic and diluted loss per share amount is based on the loss for the year attributable to owners of the Company, and the weighted average number of ordinary shares of 400,000,000 (2023: 400,000,000) shares in issue during the year.

The calculations of the basic and diluted loss per share are based on the following data:

	2024 HK\$'000	2023 HK\$'000
Loss		
Loss for the year attributable to the owners of the Company	<u>(48,506)</u>	<u>(67,001)</u>
Number of shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	<u>400,000,000</u>	<u>400,000,000</u>

Note:

Diluted loss per share for the years ended 31 December 2024 and 2023 is the same as the basic loss per share as there were no potential ordinary shares in issue as at 31 December 2024 and 2023.

14. Plant and equipment

	<i>Furniture and fixtures HK\$'000</i>	<i>Computer equipment HK\$'000</i>	<i>Office equipment HK\$'000</i>	<i>Leasehold improvements HK\$'000</i>	<i>Total HK\$'000</i>
Cost:					
At 1.1.2023	609	8,237	88	1,396	10,330
Additions	54	514	38	-	606
Exchange realignment	4	63	-	-	67
At 31.12.2023 and 1.1.2024	667	8,814	126	1,396	11,003
Exchange realignment	(10)	(143)	(2)	-	(155)
At 31.12.2024	657	8,671	124	1,396	10,848
Accumulated depreciation and impairment:					
At 1.1.2023	517	5,282	78	1,396	7,273
Charge for the year	44	1,511	14	-	1,569
Impairment loss recognised in profit or loss	105	1,999	34	-	2,138
Exchange realignment	1	22	-	-	23
At 31.12.2023 and 1.1.2024	667	8,814	126	1,396	11,003
Exchange realignment	(10)	(143)	(2)	-	(155)
At 31.12.2024	657	8,671	124	1,396	10,848
Net carrying value:					
At 31.12.2024	-	-	-	-	-
At 31.12.2023	-	-	-	-	-

14. Plant and equipment (cont'd)

The plant and equipment with the carrying amount of HK\$2,138,000 was fully impaired in the prior year. As at 31 December 2023, based on the business forecast performed by the management, the management of the Group concluded that there was indication for impairment and conducted impairment assessment on certain property, plant and equipment, right-of-use assets and intangible assets with finite useful lives with carrying amounts of HK\$2,138,000, HK\$1,604,000 and HK\$270,000 respectively.

The Group estimated the recoverable amount of the single cash-generating unit to which these assets belonged as it was not possible to estimate the recoverable amount individually.

The recoverable amount of cash-generating unit was determined based on a value in use calculation. That calculation used cash flow projections based on financial budgets approved by the management of the Group covering the following 3 years with a pre-tax discount rate of 14.85% as at 31 December 2023. Another key assumption for the value in use calculated was the budgeted revenue, which was determined based on the CGU's past performance and management expectations for the market development.

Based on the result of the assessment, management of the Group determined that the recoverable amount of the CGU was lower than the carrying amount. The impairment amount was allocated to each category of property, plant and equipment, right-of-use assets and intangible assets with finite useful lives such that the carrying amount of each category of asset was not reduced below the highest of its fair value less cost of disposal, its value in use and zero. Based on the value in use calculation and the allocation, impairment loss of HK\$2,138,000, HK\$1,604,000 and HK\$270,000 has been recognised against the carrying amount of property, plant and equipment, right-of-use assets and intangible assets with finite useful lives respectively within the relevant functions to which these assets relate.

15. Right-of-use assets

	<i>Office premise</i> <i>HK\$'000</i>
Depreciation charge:	
For the year ended 31.12.2024	—
For the year ended 31.12.2023	1,348
Impairment loss:	
For the year ended 31.12.2024	—
For the year ended 31.12.2023	1,604
Net carrying value:	
At 31.12.2024	—
At 31.12.2023	—

There is no additions to right-of-use assets during both years. Expense relating to short-term leases was HK\$1,366,000 (2023: HK\$1,924,000).

The Group leases various offices for its operations. Lease contracts are entered into for fixed term of one month to three years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group is not allowed to sublet the premise unless prior approval is given by the landlord in writing.

The right-of-use assets with the carrying amount of HK\$1,604,000 was fully impaired in the prior year. Details are set out in note 14 to the consolidated financial statements.

16. Intangible assets

	<i>Cost of self- developed software HK\$'000</i>	<i>Software HK\$'000</i>	<i>Total HK\$'000</i>
Cost:			
At 1.1.2023	3,212	1,021	4,233
Additions	–	18	18
Exchange realignment	–	13	13
	<hr/>	<hr/>	<hr/>
At 31.12.2023 and 1.1.2024	3,212	1,052	4,264
Exchange realignment	–	(30)	(30)
	<hr/>	<hr/>	<hr/>
At 31.12.2024	3,212	1,022	4,234
	<hr/>	<hr/>	<hr/>
Accumulated depreciation and impairment:			
At 1.1.2023	3,212	489	3,701
Charge for the year	–	289	289
Impairment loss recognised in profit or loss	–	270	270
Exchange realignment	–	4	4
	<hr/>	<hr/>	<hr/>
At 31.12.2023 and 1.1.2024	3,212	1,052	4,264
Exchange realignment	–	(30)	(30)
	<hr/>	<hr/>	<hr/>
At 31.12.2024	3,212	1,022	4,234
	<hr/>	<hr/>	<hr/>
Net carrying value:			
At 31.12.2024	–	–	–
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31.12.2023	–	–	–
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The intangible assets with carrying amount of HK\$270,000 was fully impaired during the prior year. Details are set out in note 14 to the consolidated financial statements.

17. Investments in an associate

	2024 HK\$'000	2023 HK\$'000
Cost of unlisted investments in an associate	–	7,808
Share of post-acquisition results	–	(1,486)
Gain on dilution of interest in an associate	–	90
Accumulated impairment loss	–	(4,520)
Exchange realignment	–	(28)
	<u>–</u>	<u>1,864</u>

Notes:

- (a) As at the end of the reporting period, the Group had interests in the following associate established and operating in the People's Republic of China.

Name of associate	Registered capital	Percentage of ownership interest held directly by the Group		Principal activities
		2024	2023	
浙江紅藍牧投資 管理有限公司 (Holland & Muh Investment Management Co., Ltd.)	RMB10,000,000	Nil	25%	Providing investment management services

In the prior year, the Group held a 25% interest in Holland & Muh Investment Management Co., Ltd (“Holland & Muh”) and accounted for the investment as an associate. In October 2024, the Group disposed the entire interest in Holland & Muh to a third party for proceeds of Reminbi (“RMB”)1,022,776 (equivalent to approximately HK\$1,087,000 (received in December 2024).

This transaction has resulted in the recognition of a loss of HK\$208,000 in profit or loss, calculated as follows.

	HK\$'000
Proceeds of disposal	1,087
Less: carrying amount of the 25% investment on the date of loss of significant influence	(1,288)
Exchange realignment	<u>(7)</u>
Loss recognised	<u>(208)</u>

17. Investments in an associate (cont'd)

(b) Summarised financial information of the associate:

The associate is accounted for using the equity method in these consolidated financial statements.

	<i>Capital True Partner Technology Co., Ltd. HK\$'000 (Note 18)</i>	<i>Holland & Muh Investment Management Co., Ltd. HK\$'000</i>
For the period ended 31 October 2024 (date of disposal)		
Revenue		2,075
Loss and total comprehensive expenses for the period		(2,314)
Share of result of the associate for the period		(576)
<hr/> <hr/>		
As at 31 December 2023		
Gross amounts of the associates		
Current assets	-	6,980
Non-current assets	-	7
Current liabilities	-	72
Net assets	-	6,915
<hr/> <hr/>		
For the year ended 31 December 2023		
Revenue	8,436	2,333
Profit/(loss) and total comprehensive income/(loss) for the period/year	440	(1,685)
Share of result of associates for the period/year	216	(420)
<hr/> <hr/>		

18. Assets held for sale

On 25 August 2023, a wholly-owned subsidiary of the Company and a third party entered into the Disposal Agreement, pursuant to which the subsidiary agreed to sell, and the third party agreed to purchase the Disposal Shares (representing 49% of equity interest in Capital True Partner Technology Co., Ltd. ("CTPT")) at a consideration of US\$79,477 (equivalent to approximately HK\$615,947). It is contemplated that approval letters are required to be obtained from the Financial Supervisory Commission and the Ministry of Economic Affairs Investment Commission in Taiwan. As at 31 December 2024, this transaction is not completed and pending for government approval which is expected in a year from the end of the reporting period. CTPT is classified as assets held for sale accordingly. As at 31 December 2024 and 2023, the carrying amount of HK\$470,000 is lower than the consideration, there is no impairment indication.

19. Financial assets/liabilities at fair value through profit or loss

	2024 HK\$'000	2023 HK\$'000
Non-current assets		
Investment in an unlisted investment fund – Note 19(a)	–	16,759
Current assets		
Long position with the derivatives listed in China – Note 19(b)	577	839
Current liabilities		
Short position with the underlying equity securities listed in Hong Kong	–	1
Short position with the derivatives listed in China – Note 19(b)	311	306
	311	307

Notes:

- (a) The investment fund, True Partner Fund, was managed by True Partner Advisor Limited, a subsidiary of the Company. All the participating shares were redeemed on 25 June 2024.
- (b) Notional amount and maturity information of the options/futures are as follows:

31 December 2024	Notional amount (RMB)	Maturity
Long options	22,320,000 9,150,500 4,000,500	January 2025 February 2025 April 2025
	35,471,000	
Short options	14,254,000 26,768,500 6,477,500	January 2025 February 2025 April 2025
	47,500,000	
Long futures	632,750 116,070 996,630	February 2025 March 2025 May 2025
	1,745,450	
Short futures	1,644,100	May 2025

Notes to the consolidated financial statements (cont'd)

19. Financial assets/liabilities at fair value through profit or loss (cont'd)

31 December 2023	Notional amount (RMB)	Maturity
Long options	15,387,500	January 2024
	<u>5,626,000</u>	February 2024
	<u><u>21,013,500</u></u>	
Short options	9,501,250	January 2024
	<u>21,615,000</u>	February 2024
	<u><u>31,116,250</u></u>	
Long futures	3,210,020	February 2024
	670,500	March 2024
	<u>3,300,840</u>	May 2024
	<u><u>7,181,360</u></u>	
Short futures	552,500	January 2024
	9,926,280	February 2024
	2,597,400	March 2024
	<u>947,440</u>	May 2024
	<u><u>14,023,620</u></u>	

The exchange listed option and futures contracts are classified as held for trading. Fair value was determined based on the daily exchange settlement prices of the last trading day as determined by the relevant exchange based on the daily quotes for each of the options and futures contracts, all of which are actively quoted on the relevant exchange. During the year, the gain on unrealised and realised change in fair value of options and futures contracts amounting to approximately HK\$1,873,000 (2023: HK\$18,000) was recognised in the Group's "Revenue – net gain on derivatives".

20. Accounts receivable

	2024 HK\$'000	2023 HK\$'000
Consultancy service fee receivable	1,113	264
Management fee receivable	1,427	1,463
Performance fee receivable	–	11
	<u>2,540</u>	<u>1,738</u>

Notes:

(a) The ageing analysis of accounts receivable, based on the transaction date, is as follows:

	2024 HK\$'000	2023 HK\$'000
Less than 30 days	1,536	1,738
31-60 days	179	–
61-90 days	179	–
Over 90 days	646	–
	<u>2,540</u>	<u>1,738</u>

(b) The ageing analysis of accounts receivable, based on the due date, is as follows:

	2024 HK\$'000	2023 HK\$'000
Not past due	1,536	1,738
0-30 days	179	–
31-60 days	179	–
Over 90 days	646	–
	<u>2,540</u>	<u>1,738</u>

As at 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$646,000 (2023: HK\$Nil) which are past due 90 days as at the reporting date and is not considered as in default because the Group has assessed the historical payment pattern and the credit quality of the debtor.

21. Other receivables

	2024 HK\$'000	2023 HK\$'000
Deposits	979	3,042
Other receivables	138	1,672
Prepayments	2,004	2,133
	<u>3,121</u>	<u>6,847</u>

Notes to the consolidated financial statements (cont'd)

22. Cash and cash equivalents

Cash and cash equivalents consist entirely of cash on hand and balance with banks.

23. Accruals and other payables

	2024 HK\$'000	2023 HK\$'000
Accrued employee benefits	2,705	4,856
Accrued expenses	3,935	3,355
Other payables	135	121
	<u>6,775</u>	<u>8,332</u>

24. Lease liabilities

	2024 HK\$'000	2023 HK\$'000
Within one year	353	1,367
In the second year	-	353
	<u>353</u>	1,720
Less: Amounts due within one year shown under current liabilities	<u>(353)</u>	<u>(1,367)</u>
Amounts shown under non-current liability	<u>-</u>	<u>353</u>

The total cash outflow for leases for the year ended 31 December 2024 was HK\$2,788,000 (2023: HK\$3,384,000).

The incremental borrowing rates applied to lease liabilities is 5% (2023: 4% to 5%).

25. Share capital

	<i>Number of shares</i>	<i>Share capital HK\$000</i>	<i>Share premium HK\$000</i>	<i>Total HK\$'000</i>
Authorised:				
Ordinary shares of HK\$0.01 each				
At 1.1.2023, 31.12.2023, 1.1.2024 and 31.12.2024	<u><u>10,000,000,000</u></u>	<u><u>100,000</u></u>		
Issued and fully paid:				
At 1.1.2023, 31.12.2023, 1.1.2024 and 31.12.2024	<u><u>400,000,000</u></u>	<u><u>4,000</u></u>	<u><u>153,074</u></u>	<u><u>157,074</u></u>

26. Capital management

The Group's capital management objectives are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The capital structure of the Group consists of equity attributable to owners of the Company (comprising issued share capital and reserves).

The Group's capital structure is actively and regularly reviewed and managed by the Directors of the Company. Adjustments are made to the capital structure such as to issue new shares or to adjust dividend payment to shareholders in light of changes in economic conditions affecting the Group. The Group's overall strategy remains unchanged throughout the year.

The Group monitors capital using a gearing ratio, which is net debt divided by capital plus net debt. Net debt includes accruals and other payables, financial liabilities at fair value through profit or loss, lease liabilities and tax payable, net of cash and cash equivalents. Capital includes equity attributable to owners of the Company.

	2024 HK\$'000	2023 HK\$'000
Accruals and other payables	6,775	8,332
Derivative financial liabilities	311	306
Financial liabilities at fair value through profit or loss	–	1
Lease liabilities	353	1,720
Tax liabilities	–	59
Less: cash and cash equivalents	<u>(32,475)</u>	<u>(66,048)</u>
	<u><u>(25,036)</u></u>	<u><u>(55,630)</u></u>

As at 31 December 2024 and 2023, the Group had net cash and accordingly, no gearing ratios were presented.

One of the subsidiaries of the Company are registered with Hong Kong Securities and Futures Commission (“**Regulated Subsidiary**”) and are subject to liquid capital requirements under Hong Kong Securities and Futures (Financial Resources) Rules (“**SF(FR)R**”) of the Hong Kong Securities and Futures Ordinance (“**SFO**”). Under the SF(FR)R, the subsidiary must maintain its liquid capital (assets and liabilities adjusted as determined by SF(FR)R) in excess of HK\$100,000 or 5% of their total adjusted liabilities, whichever is higher. Other than this, the Regulated Subsidiary is not subject to any externally imposed capital requirements. The Directors closely monitor, on a daily basis, the liquid capital level to ensure compliance with the liquid capital requirements under SF(FR)R. This externally imposed capital requirement has been complied with by the Regulated Subsidiary during the year.

27. Reserves

The amount of the Group's reserves and the movements therein are presented in the consolidated statement of changes in equity.

28. Related party transactions

- (a) In addition to the related party information disclosed elsewhere in the consolidated financial statements, the Group had the following significant transactions with its related parties during the year:

			2024	2023
		<i>Note</i>	HK\$'000	HK\$'000
Name of related parties	Nature of transactions			
True Partner Fund ("TPF")	Management and performance fee income	(i), (ii)	2,334	7,264
True Partner Volatility Fund ("TPVF")	Management and performance fee income	(i), (iii)	729	1,509

- (i) A Director of the Company is a member of key management personnel of these funds.
- (ii) For the year ended 31 December 2024, included in the management fee income from TPF is an amount of HK\$60,000 (2023: HK\$287,000) attributable to the investments in TPF held by True Partner Advisor Limited, a subsidiary of the Company.
- (iii) For the year ended 31 December 2024, included in the management fee income from TPVF is an amount of HK\$43,000 (2023: HK\$85,000) attributable to the investments in TPVF held by a Director of the Company.

- (b) Compensation of key management personnel

	2024	2023
	HK\$'000	HK\$'000
Short-term employee benefits	13,987	18,988
Pension scheme contributions	158	163
	14,145	19,151

Key management personnel of the Group are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Directors are considered as key management personnel of the Group.

29. Reconciliation of liabilities arising from financing activities

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

	<i>Lease liabilities HK\$'000</i>
At 1.1.2023	<u>3,058</u>
Changes from financing cash flows:	
Principal element of lease rentals payments	(1,338)
Interest paid	<u>(122)</u>
	<u>(1,460)</u>
Other changes:	
Interest expense	<u>122</u>
At 31.12.2023 and 1.1.2024	1,720
Changes from financing cash flows:	
Principal element of lease rentals payments	(1,367)
Interest paid	<u>(55)</u>
	<u>(1,422)</u>
Other changes:	
Interest expense	<u>55</u>
At 31.12.2024	<u><u>353</u></u>

30. Financial instruments

(a) Categories of financial instruments

At 31 December 2024

	<i>Financial assets</i>		
	<i>Financial assets at amortised cost HK\$'000</i>	<i>Derivatives HK\$'000</i>	<i>Total HK\$'000</i>
Derivative financial assets	-	577	577
Accounts receivable	2,540	-	2,540
Other receivables	1,117	-	1,117
Deposits placed with brokers	12,786	-	12,786
Fixed bank deposit	112	-	112
Cash and cash equivalents	32,475	-	32,475
	<u>49,030</u>	<u>577</u>	<u>49,607</u>
	<i>Financial liabilities</i>		
	<i>Financial liabilities at amortised cost HK\$'000</i>	<i>Derivatives HK\$'000</i>	<i>Total HK\$'000</i>
Accruals and other payables	6,775	-	6,775
Derivative financial liabilities	-	311	311
Lease liabilities	353	-	353
	<u>7,128</u>	<u>311</u>	<u>7,439</u>

Notes to the consolidated financial statements (cont'd)

30. Financial instruments (cont'd)

(a) Categories of financial instruments (cont'd)

At 31 December 2023

	<i>Financial assets</i>			
	<i>Financial assets at amortised cost</i>	<i>Financial assets at fair value through profit or loss</i>	<i>Derivatives</i>	<i>Total</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Derivative financial assets	–	–	839	839
Financial assets at FVPL	–	16,759	–	16,759
Accounts receivable	1,738	–	–	1,738
Other receivables	4,714	–	–	4,714
Deposits placed with a broker	8,921	–	–	8,921
Fixed bank deposit	418	–	–	418
Cash and cash equivalents	66,048	–	–	66,048
	<u>81,839</u>	<u>16,759</u>	<u>839</u>	<u>99,437</u>
	<i>Financial liabilities</i>			
	<i>Financial liabilities at amortised cost</i>	<i>Financial liabilities at fair value through profit or loss</i>	<i>Derivatives</i>	<i>Total</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Accruals and other payables	8,332	–	–	8,332
Financial liabilities at FVPL	–	1	–	1
Derivative financial liabilities	–	–	306	306
Lease liabilities	1,720	–	–	1,720
	<u>10,052</u>	<u>1</u>	<u>306</u>	<u>10,359</u>

30. Financial instruments (cont'd)

(b) Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVPL, accounts receivable, other receivables, deposits placed with brokers, fixed bank deposits, cash and cash equivalents, accruals and other payables, financial liabilities at FVPL derivatives and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The table below summaries the Group's financial assets and financial liabilities exposed to currency risk as at 31 December 2024.

	2024 HK\$'000	2023 HK\$'000
<i>Financial assets denominated in foreign currencies:</i>		
Account and other receivables	40	1
Derivative financial assets	577	839
Deposits placed with brokers	12,579	8,833
Cash and bank balances	7,133	32,368
<i>Financial liabilities denominated in foreign currencies:</i>		
Accruals and other payables	(1,154)	(1,107)
Derivative financial liabilities	(311)	(306)
Net financial assets exposed to currency risk	18,864	40,628

30. Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Currency risk (cont'd)

The Group's financial assets and liabilities exposed to currency risk were denominated in the following currencies:

	2024	2023
	HK\$'000	HK\$'000
United States dollar ("USD")	6,935	17,413
Hong Kong dollar	(432)	3,495
RMB	12,404	19,521
SWISS Franc	–	22
Euro	43	208
Pound Sterling	(183)	(31)
Singapore dollar	97	–
	18,864	40,628

Since Hong Kong dollar is pegged to United States dollar, material fluctuations in the exchange rates of Hong Kong dollar against United States dollar are remote. Accordingly, the sensitivity analysis below excluded USD.

Should the functional currency of the group entities as at 31 December 2024 devalue by 10% against other foreign currencies, the Group's carrying amount of net financial assets and the Group's equity at 31 December 2024 would decrease by approximately HK\$1,258,000 (2023: HK\$2,321,000), loss before income tax for the year would increase by the exact amount.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's cash flow interest rate risk arises primarily from variable-rate bank balances. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook.

No sensitivity analysis is presented as the directors of the Company consider that the exposure of cash flow interest rate risk arising from variable-rate bank balance is insignificant.

30. Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Other price risk

The Group is exposed to equity price changes arising from its investment in equity securities, derivatives and unlisted investment fund measured at FVPL. The management manages this exposure by closely monitoring the price movements and the changes in market conditions that may affect the value of these investments.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period. A 10% change represents the management's assessment of a reasonably possible change in equity price.

If equity prices had been 10% higher/lower, with other variables held constant, the Group's pre-tax loss for the year ended 31 December 2024 would decrease/increase by HK\$Nil (2023: HK\$1,676,000). This is mainly due to the changes in fair value of financial assets at fair value through profit or loss.

Credit risk management

As at 31 December 2024 and 2023, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the directors of the Company closely monitor the overall level of credit exposure, and the management is responsible for the determination of credit approvals and monitoring the implementation of the debt collection procedure to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate loss allowances are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk has been significantly reduced.

30. Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Fixed bank deposits/cash and cash equivalents

The credit risk on fixed bank deposits and cash and cash equivalents is limited because the counterparties are banks with good reputation or high credit ratings assigned by international credit-rating agencies. Other than concentration of credit risk on cash and cash equivalents which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk.

Accounts receivable

In respect of accounts receivable, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customers' past history of making payment when due and adjusted for forward-looking factors specific to the customers and the economic environment which could affect customers' ability to pay, and take into account information specific to the customer. The Group does not obtain collateral from customers. The Group has concentration of credit risk as 44% (2023: 15%) and 100% (2023: 80%) of the total trade receivables was due from the Group's largest customer and the three largest customers respectively within the asset management services segment. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. The Group expects there are insignificant ECLs on accounts receivable following the credit evaluation of the customers and their repayment history.

Other receivables and deposits placed with brokers

The Group measures the loss allowance equal to 12-month ECL of other receivables and deposits placed with brokers. For those balances expected to have significant increase in credit risk since initial recognition, the Group applies lifetime ECL based on aging for classes with different credit risk characteristics and exposures.

The management believes that there has been no significant increase in credit risk since initial recognition.

For the years ended 31 December 2024 and 2023, the Group assessed the ECL for other receivables and deposits are insignificant and thus no loss allowance is recognised.

For deposits placed with brokers, which are bank and financial institutions with good reputation or high credit ratings assigned by international credit-rating agencies, the management assessed the credit risk is limited.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework to meet the Group's short, medium and long-term funding and liquidity management requirements. In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

30. Financial instruments (cont'd)

(b) Financial risk management objectives and policies (cont'd)

Liquidity table

The following table details the Group's remaining contractual maturity for its financial liabilities and derivative instruments. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments.

The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual settlement dates as the management of the Group considers that the settlement dates are essential for an understanding of the timing of the cash flows of derivatives.

	<i>On demand or within one year HK\$'000</i>	<i>More than 1 year but less than 2 years HK\$'000</i>	<i>Total undiscounted cash flows bonus HK\$'000</i>	<i>Carrying amount HK\$'000</i>
At 31 December 2024				
Accruals and other payables	6,775	–	6,775	6,775
Derivative financial liabilities – net settlement	311	–	311	311
Lease liabilities	356	–	356	353
	<u>7,442</u>	<u>–</u>	<u>7,442</u>	<u>7,439</u>
At 31 December 2023				
Accruals and other payables	8,332	–	8,332	8,332
Financial liabilities at FVPL	1	–	1	1
Derivative financial liabilities – net settlement	306	–	306	306
Lease liabilities	1,422	356	1,778	1,720
	<u>10,061</u>	<u>356</u>	<u>10,417</u>	<u>10,359</u>

30. Financial instruments (cont'd)

(c) Fair value measurements of financial instruments

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (i) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (iii) Level 3 – unobservable inputs for the asset or liability.

The following table presents the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis:

	2024			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets				
Derivative financial assets	<u>577</u>	–	–	<u>577</u>
Financial liabilities				
Derivative financial liabilities	<u>311</u>	–	–	<u>311</u>
	2023			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial assets				
Financial assets at FVPL				
– Unlisted investment fund	–	16,759	–	16,759
Derivative financial assets	<u>839</u>	–	–	<u>839</u>
Financial liabilities				
Derivative financial liabilities	1	–	–	1
Financial liabilities at fair value through profit or loss				
– Short position	<u>306</u>	–	–	<u>306</u>

The management considers the carrying amounts of all other financial assets and liabilities approximate their fair values.

31. Deferred tax asset

The following is the deferred tax asset recognised and movements thereon during the current and prior year:

	Tax losses HK\$'000
At 1.1.2023	(1,253)
Charged to profit or loss	<u>1,253</u>
At 31.12.2023, 1.1.2024 and 31.12.2024	<u><u>-</u></u>

The components of unrecognised deductible/(taxable) temporary differences are as follows:

	2024 HK\$'000	2023 HK\$'000
Deductible temporary differences		
Unutilised tax loss	189,819	137,161
Decelerated depreciation allowances	3,393	<u>2,328</u>
	<u>193,212</u>	<u>139,489</u>

At the end of the reporting period, the Group has tax losses arising in Hong Kong of HK\$109,034,000 (2023: HK\$85,884,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Out of these unused tax losses, HK\$1,483,000 (2023: HK\$1,492,000) is only available for offset against future taxable profits arising from foreign-sourced income in accordance with the Foreign-sourced Income Exemption regime which is effective from 1 January 2023.

The Group also has tax losses arising in the People's Republic of China of HK\$3,273,000 (2023: HK\$1,115,000) that will expire in one to five years for offsetting against future taxable profits. During the year, tax loss of HK\$212,000 (2023: HK\$nil) has lapsed.

At 31 December 2024, the group entities that are domiciled and operate in the United States, they had estimated United States had State net operating loss of HK\$56,376,000 (2023: HK\$38,307,000) which can be carried forward for 12 to 20 years.

31. Deferred tax asset (cont'd)

For the group entity that is domiciled and operates in Singapore, it has tax losses arising in Singapore of HK\$3,155,000 (2023: HK\$1,037,000) which can be carried forward indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

For the group entities domiciled and operate in the Netherlands, they have tax losses arising in the Netherlands of HK\$17,981,000 (2023: HK\$10,818,000) can be carried forward indefinitely but profits in one year which exceed EUR1,000,000 will only be offsettable for up to 50 percent of that higher taxable profit against losses, minus an amount of EUR1,000,000.

No deferred tax asset has been recognized in respect of these temporary differences due to the unpredictability of future profit streams.

32. Statements of financial position of the Company

	2024 HK\$'000	2023 HK\$'000
Non-current asset		
Investments in subsidiaries	38,778	94,486
Current assets		
Other receivables	253	418
Cash and cash equivalents	58	1,170
	<u>311</u>	<u>1,588</u>
Current liabilities		
Accruals and other payables	857	662
Amount due to a subsidiary	2,656	-
	<u>3,513</u>	<u>662</u>
Net current (liabilities)/assets	<u>(3,202)</u>	<u>926</u>
Net assets	<u>35,576</u>	<u>95,412</u>
Representing:		
Share capital	157,074	157,074
Reserves	(121,498)	(61,662)
Total equity	<u>35,576</u>	<u>95,412</u>

33. Particulars of principal subsidiaries of the Company

Particulars of the Company's principal subsidiaries are as follows:

Name of subsidiary	Principal place of incorporation and operation	Issued and fully paid-up capital/registered capital	Percentage of equity interest attributable to the Company		Principal activities
			2024	2023	
True Partner Holding Limited	Hong Kong	HK\$122,643,260	100%	100%	Investment holding and provision of management services
True Partner Capital China Holding Limited – Note (a)	People's Republic of China	RMB3,500,000	100%	100%	Providing business consultancy services
T8 Software Consulting Limited	Hong Kong	HK\$1	100%	100%	Software sublicense and providing consultancy services
True Partner Advisor Limited	The Cayman Islands	US\$6,400,001 (2023: US\$5,900,001)	100%	100%	Acting as an investment manager
True Partner Advisor Hong Kong Limited	Hong Kong	HK\$500,000	100%	100%	Providing investment management services
True Partner Capital USA Holding, Inc.	United States	US\$10	100%	100%	Providing investment management services and investment holding
True Partner Capital USA, LLC	United States	US\$692,000	100%	100%	Providing investment management services
True Partner China Holding Limited	Hong Kong	HK\$3,150,000	100%	100%	Investment holding and provision of software development and supporting services
True Partner Consulting Limited	Hong Kong	HK\$100	100%	100%	Provision of training courses and seminars services
True Partner Research Hong Kong Limited	Hong Kong	HK\$100	100%	100%	Providing consultancy services
True Partner Capital UK LLP	United Kingdom	GBP200,000	100%	100%	Providing investor relations, market and market research services
True Partner Technology Netherlands B.V.	Netherlands	EUR1,000	100%	100%	Providing technology services
True Partner Capital Netherlands B.V.	Netherlands	EUR1,000	100%	100%	Providing investment management services
True Partner Technology Singapore Pte Limited	Singapore	SGD1,500,000	100%	100%	Providing technology services
True Partner Capital Segregated Portfolio Company	The Cayman Islands	US\$1	100%	100%	Segregated Portfolio Company

Note:

(a) A wholly foreign-owned enterprise in the People's Republic of China

34. Equity-settled share option scheme of the Company

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 22 September 2020 for the primary purpose of providing incentives or rewards to directors and eligible employees for their contribution to the Group, and will be valid and effective for the period of ten years commencing on 22 September 2020. Under the Scheme, the directors of the Company may at its discretion, grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted must not in aggregate exceed 10% of the shares in issue at the time dealings in the shares first commence on the Stock Exchange, i.e. 40,000,000, representing 10 % of the then total issued Shares immediately before the adoption of the Scheme.

The total number of Shares issued and to be issued upon exercise of all options granted (including both exercised and outstanding options) to be participant of the Scheme in any 12-month period shall not exceed 1% of the Shares of the Company then in issue.

The option period of an option may not end later than 10 years of the date of grant.

Unless otherwise determined by our directors and stated in the offer to a grantee, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before the exercise of an option granted to him.

Exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

As at 31 December 2024, no share option has been granted, exercised, outstanding, cancelled or lapsed under the Share Option Scheme.

35. Events after the reporting period

On 27 December 2024, the Company entered into the Subscription Agreement with the subscriber, a substantial shareholder of the Company. Pursuant to the subscription agreement, the Subscriber agreed to subscribe for, and the Company agreed to allot and issue, an aggregate of 19,500,000 subscription shares at the subscription price of HK\$0.400 per subscription share, representing approximately 4.65% of the enlarged issued shares of 419,500,000 shares immediately following completion of the subscription agreement.

The proceeds will be applied predominantly to enhance the Group's general working capital which will be used to cover the general operational expenses. The Subscription was completed on 24 February 2025. The net proceeds after deduction of relevant costs and expenses, is approximately HK\$7.3 million.

A summary of the combined statement of comprehensive and of the asset and liabilities of the Group for the last four financial years, as extracted from the published audited financial statement, is set out below:

Result

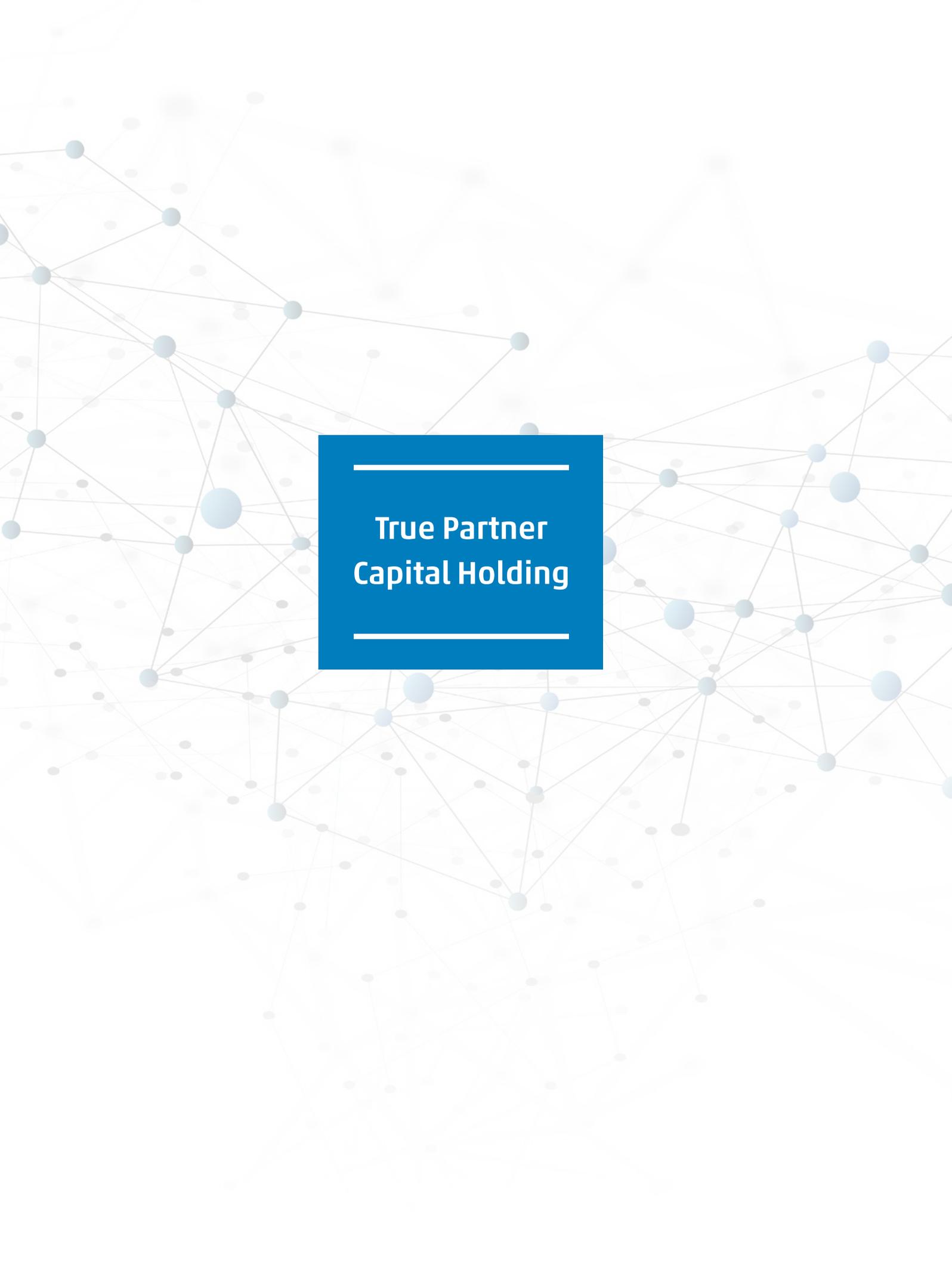
	<i>Year ended 31 December</i>				
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue	9,569	13,289	44,793	58,917	132,013
Gross profit	8,594	11,687	41,395	52,384	119,777
Operating (loss)/profit	(47,962)	(65,429)	(32,149)	(22,013)	36,838
(Loss)/profit before income tax for the year	(48,395)	(65,545)	(34,578)	(24,455)	38,124
Income tax expense/(credit)	(111)	(1,456)	1,070	(1,032)	(11,368)
(Loss)/profit for the year	(48,506)	(67,001)	(33,508)	(25,487)	26,756
Non-HKFRS measures					
Adjusted net (loss)/profit attributable to owners of the Company – Note	(48,506)	(67,001)	(33,636)	(26,020)	39,243

Asset and Liabilities

	<i>As at 31 December</i>				
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Non-current assets	–	18,623	37,768	29,533	29,365
Current assets	53,224	87,055	135,946	187,206	239,556
Current liabilities	(7,439)	(10,065)	(10,224)	(11,259)	(31,785)
Net current assets	45,785	76,990	125,722	175,947	207,771
Non-current liabilities	–	(353)	(1,720)	(64)	(433)
Net assets	45,785	95,260	161,770	205,416	236,703

Note:

Adjusted net (loss)/profit attributable to owners of the Company is unaudited and represents (loss)/profit for the year attributable to owners of the Company adding back listing expenses.

A background network diagram consisting of numerous light blue circular nodes of varying sizes connected by thin, light gray lines. The nodes are scattered across the page, with some larger nodes acting as hubs. The overall effect is a complex, interconnected web.

**True Partner
Capital Holding**
