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GLORIOUS SUN ENTERPRISES LIMITED

旭日企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 393)

Announcement of Final Results For the year ended 31 December 2025

ANNUAL RESULTS

The board of directors (the “Board”) of Glorious Sun Enterprises Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
REVENUE			
Revenue from contracts with customers		867,216	715,785
Revenue from other sources:			
Interest income from debt investments at amortised cost		-	30,590
Dividend income		109,460	163,795
	(3)	<u>976,676</u>	<u>910,170</u>
Cost of sales		<u>(753,358)</u>	<u>(587,709)</u>
Gross profit		223,318	322,461
Other income and gains		61,779	77,502
Selling and distribution expenses		(18,960)	(16,922)
Administrative expenses		(113,061)	(92,115)
Other expenses		(11,065)	(2,562)
Impairment loss on debt investments at amortised cost, net		(30,736)	(174,689)
Impairment loss on other financial and contract assets, net		(5,523)	(9,590)
Finance costs	(4)	<u>(1,227)</u>	<u>(2,309)</u>
PROFIT BEFORE TAX	(5)	104,525	101,776
Income tax expense	(6)	<u>(20,717)</u>	<u>(28,125)</u>
PROFIT FOR THE YEAR		<u>83,808</u>	<u>73,651</u>
Attributable to:			
Ordinary equity holders of the Company		75,176	61,380
Non-controlling interests		8,632	12,271
		<u>83,808</u>	<u>73,651</u>
		HK cents	HK cents
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	(8)		
Basic and diluted		<u>5.01</u>	<u>4.06</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
PROFIT FOR THE YEAR	83,808	73,651
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences:		
Exchange differences on translation of foreign operations	<u>3,550</u>	<u>(1,720)</u>
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	<u>3,550</u>	<u>(1,720)</u>
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>		
Financial assets at fair value through other comprehensive income:		
Changes in fair value	314,578	459,840
Income tax effect	<u>(444)</u>	<u>(60)</u>
	<u>314,134</u>	<u>459,780</u>
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>314,134</u>	<u>459,780</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	317,684	458,060
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	401,492	531,711
Attributable to:		
Ordinary equity holders of the Company	389,327	520,357
Non-controlling interests	<u>12,165</u>	<u>11,354</u>
	<u>401,492</u>	<u>531,711</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		12,233	12,964
Right-of-use assets		15,247	19,888
Debt investment at amortised cost		-	28,073
Financial assets at fair value through other comprehensive income	(9)	2,044,017	1,679,490
Rental deposits		2,243	2,416
Deferred tax assets		4,723	3,213
Total non-current assets		<u>2,078,463</u>	<u>1,746,044</u>
CURRENT ASSETS			
Inventories		244,380	330,065
Trade receivables	(10)	68,658	87,500
Prepayments, deposits and other receivables		107,186	113,622
Contract assets		14,301	7,727
Due from related companies		8,091	9,090
Debt investments at amortised cost		8,441	11,357
Financial assets at fair value through profit or loss		12,029	51,874
Tax recoverable		567	4,641
Cash and cash equivalents		1,204,208	1,201,518
Total current assets		<u>1,667,861</u>	<u>1,817,394</u>
CURRENT LIABILITIES			
Trade payables	(11)	79,174	78,366
Contract liabilities		301,418	398,975
Other payables and accruals		320,864	288,139
Lease liabilities		5,860	6,461
Tax payable		10,695	12,663
Total current liabilities		<u>718,011</u>	<u>784,604</u>
NET CURRENT ASSETS		<u>949,850</u>	<u>1,032,790</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,028,313</u>	<u>2,778,834</u>
NON-CURRENT LIABILITIES			
Lease liabilities		11,050	13,943
Deferred tax liabilities		4,095	1,467
Total non-current liabilities		<u>15,145</u>	<u>15,410</u>
Net assets		<u>3,013,168</u>	<u>2,763,424</u>
EQUITY			
Equity attributable to ordinary equity holders of the Company			
Issued capital	(12)	150,000	151,024
Treasury shares	(12)	-	(6,340)
Reserves		2,837,069	2,606,105
		<u>2,987,069</u>	<u>2,750,789</u>
Non-controlling interests		<u>26,099</u>	<u>12,635</u>
Total equity		<u>3,013,168</u>	<u>2,763,424</u>

NOTES TO FINANCIAL STATEMENTS

(1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. They have been prepared under the historical cost convention, except for certain investments which have been measured at fair value.

The financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

(2) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

The Group has not early adopted any other standard or amendment that has been issued but is not yet effective for the current accounting year.

(3) OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) the “financial investments” segment engages in treasury management and consulting services;
- (b) the “interior decoration and renovation” segment engages in the interior decoration and renovation, and the sale of furniture business;
- (c) the “export operations” segment engages in exports of apparel; and
- (d) the “retail, franchise and others” segment mainly includes retail operation in Hong Kong and franchise sales under the “Jeanswest” brand in overseas markets within the casual wear and apparel domain.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group’s profit before tax except that interest income, non-leased-related finance costs, as well as head office and corporate income and expenses are excluded from such measurement.

(3) OPERATING SEGMENT INFORMATION *(continued)*

Information regarding the Group's reportable segments, together with their related comparative information, is presented below:

Year ended 31 December 2025					
	Financial investments	Interior decoration and renovation	Export operations	Retail, franchise and others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue					
Revenue from external parties	109,460	570,368	253,958	42,890	976,676
Other income and gains	148	5,189	8,990	5,214	19,541
Total	<u>109,608</u>	<u>575,557</u>	<u>262,948</u>	<u>48,104</u>	<u>996,217</u>
Segment results	<u>36,038</u>	<u>25,099</u>	<u>12,776</u>	<u>4,331</u>	<u>78,244</u>
Interest income					39,133
Unallocated income					3,105
Corporate and other unallocated expenses					(15,411)
Finance costs (other than interest on lease liabilities)					<u>(546)</u>
Profit before tax					<u>104,525</u>

Year ended 31 December 2024					
	Financial investments	Interior decoration and renovation	Export operations	Retail, franchise and others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue					
Revenue from external parties	194,385	377,891	281,355	56,539	910,170
Other income and gains	6,039	6,468	6,850	5,701	25,058
Total	<u>200,424</u>	<u>384,359</u>	<u>288,205</u>	<u>62,240</u>	<u>935,228</u>
Segment results	<u>(1,005)</u>	<u>36,633</u>	<u>17,726</u>	<u>9,371</u>	<u>62,725</u>
Interest income					48,142
Unallocated income					4,302
Corporate and other unallocated expenses					(11,995)
Finance costs (other than interest on lease liabilities)					<u>(1,398)</u>
Profit before tax					<u>101,776</u>

(4) FINANCE COSTS

An analysis of finance costs is as follows:

	2025 HK\$'000	2024 HK\$'000
Interest on bank loans	546	1,398
Interest on lease liabilities	<u>681</u>	<u>911</u>
	<u><u>1,227</u></u>	<u><u>2,309</u></u>

(5) PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025 HK\$'000	2024 HK\$'000
Cost of inventories sold	625,596	506,926
Cost of services rendered	123,258	82,478
Depreciation of property, plant and equipment	3,354	3,488
Depreciation of right-of-use assets	6,272	6,890
Loss on disposal of items of property, plant and equipment, net	67	52
Gains on termination of tenancy agreements, net	(76)	(3,110)
Bank interest income	<u>(39,133)</u>	<u>(48,142)</u>

(6) INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025 HK\$'000	2024 HK\$'000
Current - Hong Kong		
Charge for the year	3,186	3,758
Overprovision in prior years	<u>(118)</u>	<u>(4,329)</u>
	3,068	(571)
Current - Elsewhere		
Charge for the year	4,863	3,894
Underprovision in prior years	<u>1,162</u>	<u>246</u>
	6,025	4,140
Withholding tax on dividend income	10,828	16,331
Deferred	<u>796</u>	<u>8,225</u>
Total tax charge for the year	<u><u>20,717</u></u>	<u><u>28,125</u></u>

(7) DIVIDENDS

	2025	2024
	HK\$'000	HK\$'000
Interim - HK4.00 cents (2024: HK4.00 cents) per ordinary share	60,029	60,410
Adjustment	(3)	(13)
	60,026	60,397
Proposed final – HK5.80 cents (2024: HK5.80 cents) per ordinary share	87,000	87,158
Adjustment	-	(89)
	87,000	87,069

The total amount of proposed final dividend for the year ended 31 December 2025, calculated by reference to the 1,500,000,000 shares in issue on 26 March 2026, has not been recognised as a liability at the end of the reporting period and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

(8) EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$75,176,000 (2024: HK\$61,380,000) and the weighted average number of ordinary shares of 1,501,333,162 (2024: 1,511,876,011) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2025 and 2024.

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025	2024
	HK\$'000	HK\$'000
Unlisted equity investment, at fair value Hebei Jialian Industrial Group Co., Ltd. ("河北省嘉聯事業集團有限公司")*	4,578	3,603
Hong Kong listed equity investments, at fair value		
China Construction Bank Corporation	867,632	713,552
Industrial and Commercial Bank of China Limited	825,644	666,687
Bank of China Limited	324,795	289,111
BOC Hong Kong (Holdings) Limited	10,328	6,537
Other listed share in Hong Kong	11,040	-
	2,044,017	1,679,490

* The official name of this entity is in Chinese. The English translation of the name is for identification purpose only.

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME *(continued)*

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

During the year ended 31 December 2025, the gross gain in respect of the financial assets at fair value in other comprehensive income amounted to HK\$314,578,000 (2024: HK\$459,840,000) and the dividend income during the year amounted to HK\$109,425,000 (2024: HK\$163,755,000).

(10) TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	87,092	99,595
Impairment allowance	(18,434)	(12,095)
	<u>68,658</u>	<u>87,500</u>

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of impairment allowance, is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 4 months	55,499	54,807
4 to 6 months	7,355	21,875
6 to 12 months	1,753	6,599
Over 12 months	4,051	4,219
	<u>68,658</u>	<u>87,500</u>

The credit period generally granted by the Group to customers is 15 days to 90 days. The trade receivables are non-interest-bearing.

(11) TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 4 months	<u>79,174</u>	<u>78,366</u>

The trade payables are non-interest-bearing and are normally settled on 90-day (2024: 90-day) terms.

(12) SHARE CAPITAL AND TREASURY SHARES

	Number of ordinary shares			
	2025 '000	2024 '000	2025 HK\$'000	2024 HK\$'000
Issued and fully paid: Ordinary shares of HK\$0.10 each	<u>1,500,000</u>	<u>1,510,240</u>	<u>150,000</u>	<u>151,024</u>

A summary of movements in the Company's issued share capital is as follows:

	Number of issued shares '000	Issued capital HK\$'000	Share premium account HK\$'000	Total HK\$'000
At 1 January 2024	1,522,644	152,264	735,143	887,407
Cancellation of shares repurchased	<u>(12,404)</u>	<u>(1,240)</u>	<u>(9,574)</u>	<u>(10,814)</u>
At 31 December 2024	1,510,240	151,024	725,569	876,593
Cancellation of shares repurchased	<u>(10,240)</u>	<u>(1,024)</u>	<u>(10,766)</u>	<u>(11,790)</u>
At 31 December 2025	<u>1,500,000</u>	<u>150,000</u>	<u>714,803</u>	<u>864,803</u>

A summary of movements in the Company's treasury shares is as follows:

	Number of ordinary shares			
	2025 '000	2024 '000	2025 HK\$'000	2024 HK\$'000
At 1 January	5,900	4,972	(6,340)	(4,139)
Shares repurchased	4,340	13,332	(5,450)	(13,015)
Cancellation of shares repurchased	<u>(10,240)</u>	<u>(12,404)</u>	<u>11,790</u>	10,814
At 31 December	<u>-</u>	<u>5,900</u>	<u>-</u>	<u>(6,340)</u>

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK5.80 cents (2024: HK5.80 cents) per share for the year ended 31 December 2025 to the shareholders, aggregate amount estimated to be HK\$87,000,000. It is expected that the final dividend will be paid on Wednesday, 17 June 2026, to those shareholders whose names appear on the register of members of the Company on Monday, 1 June 2026, subject to shareholders' approval at the forthcoming annual general meeting to be held on Thursday, 21 May 2026.

RESULTS

Looking back to the 2025, amidst tariff wars and geopolitical tensions, uncertainties continued to cloud the global political and economic landscape. Markets were highly focused on the tariff and trade policies announced by US President Trump following his inauguration, prompting major corporations to persistently reconfigure their supply chains. This led to rising costs and fueled concerns over inflation, which in turn influenced interest rate trajectories and triggered stock market volatility. China and the United States remained at the epicentre of trade conflicts. Although a trade truce was reached between the two nations by late 2025, lingering uncertainties in China-US relations cast a shadow over the economic outlook.

On another front, strong market enthusiasm for artificial intelligence drove major US technology companies to pour substantial investments into AI development, contributing to robust performance in US technology stocks. However, lofty equity valuations, stubborn inflation, and ongoing geopolitical tensions posed potential challenges to the market. Despite navigating an unpredictable environment in 2025, global markets rarely experienced a comprehensive bull market, with positive performance across equities, bonds, and commodities assets alike. Global equity index rose 20.6% over the year, while global bond index delivered a return of 7.5%. Amid prevailing macroeconomic and policy uncertainties, gold served as an ideal safe-haven asset, surging 64.6% to close the year at US\$4,341 per ounce.

China recorded a full-year economic growth rate of 5.0% in 2025, maintaining overall economic stability. Despite pressure from US tariffs, exports remained robust, with China becoming the first country to register an annual trade surplus exceeding one trillion US dollars. Domestically, weak consumption and structural challenges arising from the property sector remained unresolved. The central government introduced the "15th Five-Year Plan" to advance Chinese-style modernisation, with an emphasis on high-quality development and technological self-reliance. Looking ahead to the inaugural year of the 15th Five-Year Plan period, macroeconomic policies are expected to be more proactive and impactful, effectively hedging against external risks and invigorating domestic demand, thereby laying the foundation for sustained high-quality economic growth in the long run.

In Hong Kong, favourable export performance and robust investment activity drove full-year economic growth of 3.5% in 2025. On the retail front, despite shifts in consumption patterns among both local residents and tourists, the government's proactive promotion of mega events, including international sports tournaments, concert economy activities, and large-scale exhibitions, helped sustain a steady increase in tourist arrivals and supported the retail sector. The total value of retail sales rose by 1.0% for the year. Equity market performance also brought pleasant surprises. Accelerated inflows of southbound and overseas capital invigorated trading activity in Hong Kong stocks, while increased fundraising from new listings propelled the Hang Seng Index to a substantial annual gain of 27.8%.

The Group adhered to the strategy set at the beginning of the year, continued to implement “comprehensively advancing high-quality development”, focused on core businesses, and constantly maintained and enhanced its competitiveness. Faced with uncertainties surrounding US tariff policies and China-US relations, the Group adopted a strategy of “coping with shifting circumstances by sticking to a fixed principle”, concentrating human resources, financial resources, and energy on the most profitable companies and the most important projects. It remained committed to “high-quality development” and firmly pursued “effectivism”, “independent accounting, full responsibility for profits and losses”. Its approach was twofold, “expanding revenue” and “reducing expenditure”, by scaling or even closing down loss-making companies and businesses, while scaling up profitable ones to pursue the goals set at the beginning of the year. The Group conducted reviews and follow-ups items by items, weeks after weeks, and months after months and delivered satisfactory results. Thanks to management’s ability to “think of potential perils and plan ahead even currently on safe ground”, the Group’s operations were not significantly rocked by the tariff war and managed to achieve sustainable and steady development.

The Group’s turnover for the year was HK\$976,676,000 (2024: HK\$910,170,000), which increased by 7.31% compared with the previous year. The Group’s investments in high-quality, high-yield blue-chip stocks and fixed time deposits brought back reasonable returns during the year. In addition, impairment provisions against its holdings of mainland real estate bonds decreased. As a result, the profit attributable to shareholders was HK\$75,176,000 (2024: HK\$61,380,000), increased by 22.48% compared with the previous year.

The following are the main operating data of the Group during the year under review:

	2025	2024	Change
(Unit: HK\$’000)			
Consolidated revenue	976,676	910,170	+7.31%
of which:			
A. Financial investments	109,460	194,385	-43.69%
B. Interior decoration and renovation	570,368	377,891	+50.93%
C. Export operations	253,958	281,355	-9.74%
D. Hong Kong retailing and overseas franchising	39,903	56,296	-29.12%
Profit attributable to ordinary equity holders of the Company	75,176	61,380	+22.48%
(Unit: HK cents)			
Earnings per share (basic)	5.01	4.06	+23.40%
Dividend per share			
— Final	5.80	5.80	-
— Total	9.80	9.80	-
	As at	As at	
	31 December	31 December	Change
	2025	2024	

(Unit: HK\$’000)			
Net cash and near cash in hand*	3,264,117	2,968,709	+9.95%

* “Net cash and near cash in hand” consists of debt investments at amortised cost after impairment provision, listed equity investments designated at fair value through other comprehensive income, financial assets at fair value through profit or loss, cash and cash equivalents, net of interest-bearing bank borrowings.

REVIEW OF BUSINESSES

Financial Investments

Regarding the Group's financial investment, Trump's "America First" policy, coupled with the Federal Reserve's interest rate cuts initiated last September and the end of quantitative tightening, is expected to continue casting uncertainties over the global economy and investment markets. In response, the management has adopted a more cautious approach to investment, adhering to the successful business strategies of recent years. The decision is to preserve the current strong position, maintain a certain level of cash reserves, and act only after careful deliberation. In a global low-interest-rate environment, demand for high-yield investment products is anticipated to intensify. The management made decisive moves to acquire high-quality domestic bank stocks as long-term investments at the last market bottom and secured high dividend yields to safeguard shareholder returns.

As the high-yield domestic bank shares held by the Group adopted a policy of distributing an interim dividend for the first time in 2024, a higher amount of dividend income was recognised that year. As a result, the total income of the financial investment business was HK\$109,460,000 (2024: HK\$194,385,000) in 2025, decreased 43.69% over the same period last year.

Interior Decoration and Renovation

The interior design and renovation business adhered to the "high-quality development remain unwavering" policy and focusing on the development strategy of "one body with two wings" to promote digitalised design, industrialised manufactures and intelligent applications. The one body with two wings strategy promotes "Green Store Building Solutions" and "Digital Management Solutions", through which the business seeks to expose its market presence, deepen cooperation with other leading brands, so as to enhance brand influence and market share.

For the year ended 31 December 2025, the total turnover of the interior decoration and renovation business was HK\$570,368,000 (2024: HK\$377,891,000), representing an increase of 50.93% compared with last year.

Export Operations

The export operations of the Group were mainly composed of "import & export trading" and "design centers". For import & export trading, we expanded outside client business and cultivated new overseas customers, with the design centre's primary market in the US. Although Trump imposed additional tariffs since taking over the White House, Rand Design, a subsidiary, had already made early preparations by fully shifting its procurement operations from China to South America two years ago. The adverse impact of the current tariff war was thereby avoided. Under the new tariff regime, manufacturers, wholesalers, and retailers worked jointly to absorb the additional tariff costs so as to minimise the impact.

For the year ended 31 December 2025, the total export turnover dropped from HK\$281,355,000 last year to HK\$253,958,000, representing a decrease of 9.74%.

Hong Kong Retailing and Overseas Franchising

The Hong Kong retail market was on a trajectory of bottoming out and rebounding. Although the momentum of recovery remained weak, and competition from mainland online platforms continued to intensify pressure on local retail, there was still room for reasonable rent negotiations for physical stores at present. The Hong Kong retail business continued to maintain a prudent operating approach and sustain its store size through flexible leasing arrangements. For the overseas franchising business, the ongoing global turbulence and uncertainties continue to impact the business plans and strategies of the franchisees. It is expected that a relatively restrained business development approach will be maintained for a certain period of time.

For the year ended 31 December 2025, the total turnover was HK\$39,903,000 (2024: HK\$56,296,000), representing a decrease of 29.12%.

FINANCIAL POSITION

Liquidity and Financial Resources

During the year, the financial position of the Group was solid. As at 31 December 2025, the Group held net cash and near cash in hand of HK\$3,264,117,000 (31 December 2024: HK\$2,968,709,000), representing an increase of 9.95% compared with last year.

As of 31 December 2025, the Group held cash and cash equivalents of HK\$1,204,208,000 (31 December 2024: HK\$1,201,518,000), of which US dollars accounted for 79.06%, Hong Kong dollars accounted for 3.33%, and RMB accounted for 17.61% (31 December 2024: US dollars accounted for 75.04%, Hong Kong dollars accounted for 9.33%, and RMB accounted for 15.63%). The Group had no bank borrowings (31 December 2024: Nil).

The Group had neither material capital commitment nor contingent liabilities as of 31 December 2025.

Financial investments held

The significant investments held by the Group were debt instruments and stocks of listed companies. On 31 December 2025, the net carrying amount of the Group's investments was HK\$2,048,666,000 (31 December 2024: HK\$1,715,955,000), an increase of HK\$332,711,000. The change in total investments was mainly due to the acquisition of blue-chip high-yield stocks of approximately HK\$49,771,000, the increase of fair value on the stock investments by approximately HK\$313,929,000, and the impact of additional impairment provisions for bonds.

HUMAN RESOURCES

As of 31 December 2025, the Group employed 398 members of staff (31 December 2024: 413). Furthermore, incentives were granted to employees depending on the Group's overall and individual performance.

SOCIAL RESPONSIBILITY

It was the commitment of the Management that while maximising returns for shareholders, the Group would take up its social responsibilities. The Group adhered to the tenet of "Keep personal virtues when in distress and benefit the public when in power". It focused on implementing "helping people in crisis". We demanded our sub-contractors to adhere strictly to stringent environmental protection policies and regulations in their production process. We also supported and sponsored charitable activities to serve the society.

PROSPECTS

Following the negotiations reached between China and the United States in late 2025, coupled with the gradually diminishing impact of tariff wars, markets initially anticipated an improvement in the global political landscape in 2026. However, since the beginning of this year, “unexpected variables” have emerged. Fluctuations in international relations and geopolitical tensions have become a focal point for investors and disrupted global orders. As the global economic environment continues to evolve, financial discipline and risk management are becoming increasingly important. The Group will continue to closely monitor global economic policies and make corresponding adjustments. In addition, global inflation, interest rate trajectory of the US Federal Reserve and China’s economic policies will serve as important guides for the Group’s future planning. Meanwhile, after four years of downturn, Hong Kong’s property market has shown signs of bottoming out and stabilising. As economic activity gradually turns more positive, it is believed that Hong Kong’s economy will achieve steady development in 2026.

Taking into account the domestic and international situation, the Group’s strategy for 2026 is “high-quality development remains unwavered”. The Group first implemented “high-quality development” six years ago. In a rapidly changing environment, we adopted the approach of “coping with shifting circumstances by sticking to a fixed principle” to maintain steady operations, and we continued to “think of potential perils when in a secure environment and plan ahead”. We firmly pursued “effectivism”, focused on our core businesses, sought truth from facts, and acted within our capabilities. We concentrate our resources, including talent, capital, time, and energy on the most promising and profitable businesses, while scaling down or closing underperforming companies and operations. We constantly maintain and enhance our competitiveness, striving for comprehensive and sustainable high-quality development.

In terms of financial and wealth management, as the Group holds a considerable portfolio of domestic bank stocks as long-term investments, the annual dividend payouts from these holdings secure a source of profit and dividends. The Group will continue to adopt the successful business strategies of recent years, maintaining a certain level of cash reserves to enable well-timed decisions that generate higher returns, thereby maximising benefits for shareholders.

ANNUAL GENERAL MEETING

The annual general meeting of the Company for the year 2026 will be held on Thursday, 21 May 2026. For details of the annual general meeting, please refer to the notice of annual general meeting of the Company which is expected to be published on the websites of the Company (www.glorisun.com) and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (www.hkexnews.hk) on or around Wednesday, 22 April 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 18 May 2026 to Thursday, 21 May 2026, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the entitlement to attend and vote at the forthcoming annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 15 May 2026. The record date for determining the eligibility of shareholders to attend and vote at the annual general meeting is Thursday, 21 May 2026.

The register of members of the Company will also be closed from Thursday, 28 May 2026 to Monday, 1 June 2026, both days inclusive, during which period no transfer of shares shall be effected. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 27 May 2026. The record date for determining the entitlement of the shareholders to the proposed final dividend is Monday, 1 June 2026.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Corporate Governance Code in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange throughout the year ended 31 December 2025.

SCOPE OF WORK OF THE COMPANY'S AUDITORS

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

AUDIT COMMITTEE

The Audit Committee currently consists of three Independent Non-executive Directors, namely Mr. Lau Hon Chuen, Ambrose (Committee Chairman), Mr. Ng Wing Ka, Jimmy and Mr. Choi Tak Shing, Stanley. The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2025, including the accounting principles adopted by the Group, with the Company's management. The Audit Committee has also assisted the Board to fulfill the functions of reviewing and monitoring the financial reporting procedures, risk management and internal control systems of the Group.

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

For the year ended 31 December 2025, the Company repurchased a total of 4,340,000 shares of the Company on the Stock Exchange. Details of the repurchases of shares are as follows:

Month of repurchase	Number of shares repurchased	Shares repurchased		
		Price per share		Aggregate price (before expenses) HK\$'000
		Highest HK\$	Lowest HK\$	
January	1,008,000	1.24	1.17	1,208
February	600,000	1.30	1.19	737
March	20,000	1.29	1.29	26
April	996,000	1.28	1.16	1,224
May	604,000	1.29	1.22	767
June	244,000	1.30	1.22	310
July	148,000	1.37	1.30	197
August	68,000	1.33	1.30	90
September	360,000	1.30	1.27	464
October	292,000	1.32	1.30	381
	4,340,000			5,404

As at 31 December 2025, all the repurchased shares were cancelled.

The above repurchases of the Company's shares were effected by the Directors, pursuant to the mandate from shareholders received at the annual general meetings of the Company for the years 2024 and 2025, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company.

Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including treasury shares) during the year. As at 31 December 2025, the Company did not hold any treasury shares.

APPRECIATION

The Board would like to take this opportunity to express its sincere appreciation to the shareholders for their support, and to the Management and staff for their dedicated efforts.

By Order of the Board
Glorious Sun Enterprises Limited
Dr. Charles Yeung, GBM, GBS, JP
Chairman

Hong Kong, 26 March 2026

As at the date of this announcement, the directors of the Company are as follows:

Executive Directors:

Dr. Charles Yeung, GBM, GBS, JP, Yeung Chun Fan, BBS, Hui Chung Shing, Herman, GBS, MH, JP, Ms. Cheung Wai Yee and Yeung Yin Chi, Jennifer, JP

Independent Non-executive Directors:

Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chan Chung Bun, Bunny, GBM, GBS, JP, Ng Wing Ka, Jimmy, SBS, JP and Choi Tak Shing, Stanley, JP