

**A. UNAUDITED PROFIT AND LOSS STATEMENTS ON THE IDENTIFIABLE NET INCOME STREAM OF THE SALE ASSETS**

In accordance with Rule 14.68(2)(b)(i) of the Listing Rules, the unaudited profit and loss statements on the identifiable net income stream of the Sale Assets for each of the years ended 31 December 2022, 2023 and 2024, the six months ended 30 June 2025 and its comparative figures for the six months ended 30 June 2024 (the “**Unaudited Profit and Loss Statements**”) and its basis of preparation are set out below.

The Unaudited Profit and Loss Statements are prepared by the Directors solely for the purpose of inclusion in this circular in connection with the Disposal of the Sale Assets. Deloitte Touche Tohmatsu (the “**Reporting Accountants**”) were engaged to review the Unaudited Profit and Loss Statements in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” and with reference to Practice Note 750 “Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal” issued by the Hong Kong Institute of Certified Public Accountants.

A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable the Reporting Accountants to obtain assurance that the Reporting Accountants would become aware of all significant matters that might be identified in an audit. Accordingly, the Reporting Accountants do not express an audit opinion.

	For the year ended 31 December			For the six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	16,701	17,520	–	–	–
Cost of sales	(21,674)	(20,053)	–	–	–
Gross loss	(4,973)	(2,533)	–	–	–
Other income	231	111	2	1	113
Impairment losses reversed (recognised)					
on financial assets, net	2	(1)	1	1	–
Fair value gain (loss) on plantation forest assets	7,479	(3,520)	(43,015)	(54,651)	19,123
Selling and distribution costs	(2,374)	(2,431)	–	–	–
Administrative expenses	(7,330)	(9,796)	(9,832)	(5,308)	(4,106)
Finance costs	(1,269)	(1,875)	(1,830)	(694)	(948)
<b>(Loss) profit before tax</b>	<b>(8,234)</b>	<b>(20,045)</b>	<b>(54,674)</b>	<b>(60,651)</b>	<b>14,182</b>
Income tax credit (expense)	5,564	13,758	5,992	12,815	(3,266)
<b>(Loss) profit for the year/period</b>	<b>(2,670)</b>	<b>(6,287)</b>	<b>(48,682)</b>	<b>(47,836)</b>	<b>10,916</b>

**APPENDIX IV****UNAUDITED PROFIT AND LOSS STATEMENTS ON THE IDENTIFIABLE NET INCOME STREAM OF THE SALE ASSETS**

	For the year ended 31 December			For the six months ended 30 June	
	2022	2023	2024	2024	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Other comprehensive income (expense)</b>					
<i>Item that will not be reclassified to profit or loss</i>					
Revaluation gain (loss) on forestry land	13,850	6,352	(3,575)	–	–
<i>Item that may be reclassified subsequently to profit or loss</i>					
Exchange difference arising on translation of foreign operations	(10,514)	(474)	(18,235)	(5,222)	21,830
<b>Other comprehensive income (expense) for the year/period</b>	<u>3,336</u>	<u>5,878</u>	<u>(21,810)</u>	<u>(5,222)</u>	<u>21,830</u>
<b>Total comprehensive income (expense) for the year/period</b>	<u><u>666</u></u>	<u><u>(409)</u></u>	<u><u>(70,492)</u></u>	<u><u>(53,058)</u></u>	<u><u>32,746</u></u>

**Basis of preparation of the Unaudited Profit and Loss Statements**

The Unaudited Profit and Loss Statements have been prepared solely for the purpose of inclusion in the circular to be issued by the Company in connection with the Disposal of the Sale Assets in accordance with Rule 14.68(2)(b)(i) of the Listing Rules and in accordance with the relevant accounting policies adopted by the Company in the preparation of the condensed consolidated interim financial statements for the six months ended 30 June 2025 and the consolidated financial statements of the Group for the year ended 31 December 2024, which conform with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants. The Unaudited Profit and Loss Statements have been prepared under the historical cost convention. The Unaudited Profit and Loss Statements neither contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard 1 (Revised) “Presentation of Financial Statements” nor a set of financial statements as defined in Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants, and that it should be read in connection with the Group’s relevant published annual consolidated financial statements.

**B. VALUATION OF THE SALE ASSETS**

The Valuation Reports are disclosed in Appendices V and VI, respectively, to this circular.