

SHKP MPF EMPLOYER SPONSORED SCHEME

Reports and Financial Statements
For the year ended 31 March 2026

SHKP MPF EMPLOYER SPONSORED SCHEME

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

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SHKP MPF EMPLOYER SPONSORED SCHEME

SCHEME REPORT FOR THE YEAR ENDED 31 MARCH 2026

Standard Chartered Trustee (Hong Kong) Limited, as the trustee of the Scheme, (the "Trustee") has pleasure in presenting the annual reports and financial statements of SHKP MPF Employer Sponsored Scheme (the "Scheme") for the year ended 31 March 2026.

The Scheme is an employer sponsored scheme established by a trust deed dated 20 October 2000, as amended, (the "Trust Deed").

Under the Trust Deed of the Scheme, the Trustee is required to establish and maintain separate constituent funds in which contributions are invested. Each constituent fund has its separate and distinct investment objectives and policies. During the financial year and up to the date of this report, no material changes have been made to the governing rules of the Scheme.

On 2 October 2024, the Scheme has been onboarded to the eMPF Platform. With effective from 2 October 2024, the administration of the Scheme is performed by the eMPF Platform.

SHKP MPF EMPLOYER SPONSORED SCHEME

SCHEME REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

FINANCIAL DEVELOPMENT OF THE SCHEME

The Scheme currently has 10 constituent funds, namely:

1. Allianz Choice Stable Growth Fund
2. Fidelity Balanced Fund
3. Fidelity Stable Growth Fund
4. Manulife Career Average Guaranteed Fund - SHKP
5. Invesco MPF Conservative Fund
6. SHKP MPF Fund
7. Allianz Choice Balanced Fund
8. Invesco Global Stable Fund
9. Schroder MPF Core Accumulation Fund
10. Schroder MPF Age 65 Plus Fund

The total contributions received and receivable (including transfers from other schemes) and benefits paid and payable (including transfers to other schemes) during the financial year were HK\$1,286,610,547 (2025: HK\$1,108,301,482) and HK\$ 1,185,496,598 (2025: HK\$982,283,376), respectively. The net asset value of the Scheme as at 31 March 2026 was HK\$8,586,873,799 (2025: HK\$7,739,421,315). The net asset value of each constituent fund at the beginning and end of the year together with their performance during the financial year are disclosed in the unaudited Investment Report under "Analysis on movements in net asset value (including investment returns)".

SHKP MPF EMPLOYER SPONSORED SCHEME

SCHEME REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

SERVICE PROVIDERS AND ADVISORS

Sponsor	Sun Hung Kai Properties Limited 45th Floor, Sun Hung Kai Centre 30 Harbour Road Wanchai Hong Kong
Guarantor for Manulife Career Average Guaranteed Fund - SHKP	Standard Chartered Bank (Hong Kong) Limited Standard Chartered Tower 388 Kwun Tong Road Kwun Tong Hong Kong
Banker	Standard Chartered Bank (Hong Kong) Limited Standard Chartered Tower 388 Kwun Tong Road Kwun Tong Hong Kong
Manager for Invesco MPF Conservative Fund	Invesco Hong Kong Limited 41/F Champion Tower Three Garden Road Central Hong Kong
Trustee and Custodian	Standard Chartered Trustee (Hong Kong) Limited Level 14, Standard Chartered Bank Building 4-4A Des Voeux Road Central Hong Kong
Benefit Payment, Employer and Member Servicing Agent	Manulife (International) Limited 21/F, Tower A, Manulife Financial Centre, 223-231 Wai Yip Street, Kwun Tong, Kowloon

SHKP MPF EMPLOYER SPONSORED SCHEME

SCHEME REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

SERVICE PROVIDERS AND ADVISORS - continued

Legal Advisor	Deacons 5th Floor, Alexandra House 18 Chater Road Central Hong Kong
Auditor	Deloitte Touche Tohmatsu 35/F, One Pacific Place 88 Queensway Admiralty, Hong Kong

DIRECTORS OF THE TRUSTEE - STANDARD CHARTERED TRUSTEE (HONG KONG) LIMITED

The directors of the Trustee were as follows:

Stewart Robert Kenneth ALDCROFT (as Independent Non-executive Director)
CHENG Lai Ching
CHUA Meng Keong
Simon Mark KELLAWAY (resigned on 29 May 2026)
Pierre Georges Joseph MENGAL
WONG Norbert Siew Hieng
Luzia Rosa HUNG (as Independent Non-executive Director)

The business address of the above directors is 14/F Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong

SHKP MPF EMPLOYER SPONSORED SCHEME

SCHEME REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

For further information about the Scheme and its operations, please contact:

eMPF Customer Service Hotline: 183 2622

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SHKP MPF Employer Sponsored Scheme (the "Scheme") and Allianz Choice Stable Growth Fund, Fidelity Balanced Fund, Fidelity Stable Growth Fund, Manulife Career Average Guaranteed Fund - SHKP, Invesco MPF Conservative Fund, SHKP MPF Fund, Allianz Choice Balanced Fund, Invesco Global Stable Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund (each constitutes a separate constituent fund of the Scheme, collectively referred to as the "Constituent Funds") set out on pages 10 to 52, which comprise the Statement of Net Assets Available for Benefits - Scheme and Statement of Assets and Liabilities - Constituent Funds as at 31 March 2026, and the Statement of Changes in Net Assets Available for Benefits - Scheme, Statement of Cash Flows - Scheme, Revenue Statement - Constituent Funds and Statement of Changes in Net Assets - Constituent Funds for the year then ended, and the notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Scheme and each of the Constituent Funds as at 31 March 2026, and of each of their financial transactions and Scheme's cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 860.1 (Revised) "The Audit of Retirement Schemes" as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Scheme and the Constituent Funds in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also 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.

Other Matter

Each of the financial statements of the Scheme and the Constituent Funds for the year ended 31 March 2025 were audited by another auditor who expressed an unmodified opinion on those statements on 8 October 2025.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME - continued

Report on the Audit of the Financial Statements - continued

Other Information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Trustee and Those Charged with Governance for the Financial Statements

The Trustee is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the ability of Scheme and each of the Constituent Funds to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Scheme or any of the Constituent Funds or to cease operations, or has no realistic alternative but to do so.

In addition, the Trustee is required to ensure that the financial statements have been properly prepared in accordance with sections 80, 81, 83 and 84 of the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation").

Those charged with governance are responsible for overseeing the financial reporting process of the Scheme and each of the Constituent Funds.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME - continued

Report on the Audit of the Financial Statements - continued

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 solely to you, in accordance with section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 financial statements. In addition, we are required to assess whether the financial statements of the Scheme and each of the Constituent Funds have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

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 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 internal control of the Scheme and the Constituent Funds.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's 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 ability of the Scheme and each of the Constituent Funds 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 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 Scheme and the Constituent Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

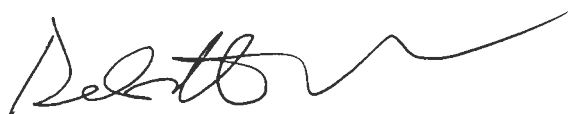
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME - continued

Report on matters under the Mandatory Provident Fund Schemes (General) Regulation

- a. In our opinion, the financial statements of the Scheme and each of the Constituent Funds have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.
- b. We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

The engagement partner on the audit resulting in this independent auditor's report is CHAN, Wo Mi (practising certificate number: P05133).



Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 September 2026

SHKP MPF EMPLOYER SPONSORED SCHEME

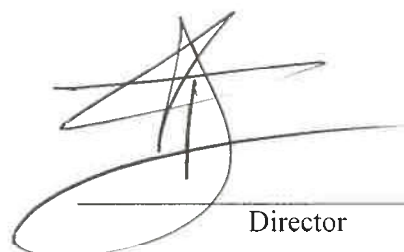
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS - SCHEME
AS AT 31 MARCH 2026

	<u>NOTES</u>	<u>2026</u> HK\$	<u>2025</u> HK\$
ASSETS			
Investments in constituent funds	6	8,692,890,492	7,742,913,079
Contributions receivable		146,061,021	99,467,067
Amounts receivable on redemption of units in constituent funds		14,890,496	14,549,962
Other accounts receivable		1,817,460	125,796
Bank balances	7, 10(f)	33,804,197	24,978,249
		<u>8,889,463,666</u>	<u>7,882,034,153</u>
LIABILITIES			
Accounts payable		48,692,230	25,225,345
Benefits payable		247,607,491	113,040,364
Forfeitures payable		6,290,146	4,347,129
		<u>302,589,867</u>	<u>142,612,838</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>8,586,873,799</u>	<u>7,739,421,315</u>

The financial statements on pages 10 to 52 were approved and authorised for issue by the Trustee on 28 September 2026 and are signed on its behalf by:



Director



Director

Standard Chartered Trustee (Hong Kong) Limited
as trustee of SHKP MPF EMPLOYER SPONSORED SCHEME

SHKP MPF EMPLOYER SPONSORED SCHEME

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - SCHEME
FOR THE YEAR ENDED 31 MARCH 2026

	<u>NOTES</u>	<u>2026</u> HK\$	<u>2025</u> HK\$
INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM PARTICIPATING TRANSACTIONS			
Contributions received and receivable			
From employers	12		
- mandatory		523,370,897	495,779,633
- additional voluntary		73,100,445	66,985,583
From employees			
- mandatory		505,860,724	479,928,749
- additional voluntary		46,501,182	41,470,776
Group transfers in from other schemes		214,619	523,758
Individual transfers in from other schemes		137,562,680	23,612,983
		<u>1,286,610,547</u>	<u>1,108,301,482</u>
Benefits paid and payable	13		
Death and disability		(1,189,470)	(2,113,889)
Retirement		(192,149,863)	(168,005,794)
Payments to and on account of leavers			
- refunds of contributions		(3,986,238)	(3,766,227)
- individual transfers out to other schemes		(984,265,517)	(803,611,921)
- permanent departure		(3,220,732)	(3,685,075)
- terminal illness		(684,778)	(1,096,081)
- auto termination within 60 days		-	(4,389)
		<u>(1,185,496,598)</u>	<u>(982,283,376)</u>
Forfeitures		<u>(2,692,487)</u>	<u>(2,177,496)</u>
Total benefits paid and payable (including forfeitures)		<u>(1,188,189,085)</u>	<u>(984,460,872)</u>
		<u>98,421,462</u>	<u>123,840,610</u>

SHKP MPF EMPLOYER SPONSORED SCHEMESTATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - SCHEME - continued
FOR THE YEAR ENDED 31 MARCH 2026

	<u>NOTE</u>	<u>2026</u> HK\$	<u>2025</u> HK\$
INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM OPERATIONS			
Investment income			
Interest income on bank deposits	10(f)	3,266	3,873
Net realised gain on financial assets at fair value through profit or loss – investments in constituent funds		295,102,631	165,224,155
Net unrealised gain on financial assets at fair value through profit or loss – investments in constituent funds		<u>453,930,184</u>	<u>436,673,406</u>
		749,036,081	601,901,434
Expenses			
Bank charges and other expenses		<u>(5,059)</u>	<u>(4,485)</u>
		749,031,022	601,896,949
INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>847,452,484</u>	<u>725,737,559</u>
BALANCE BROUGHT FORWARD		<u>7,739,421,315</u>	<u>7,013,683,756</u>
BALANCE CARRIED FORWARD		<u>8,586,873,799</u>	<u>7,739,421,315</u>

SHKP MPF EMPLOYER SPONSORED SCHEMESTATEMENT OF CASH FLOWS - SCHEME
FOR THE YEAR ENDED 31 MARCH 2026

	<u>2026</u> <u>HK\$</u>	<u>2025</u> <u>HK\$</u>
OPERATING ACTIVITIES		
Increase in net assets attributable to members from operations	749,031,022	601,896,949
Adjustment for:		
Interest income on bank deposits	<u>(3,266)</u>	<u>(3,873)</u>
Operating cash inflows before movements in working capital	749,027,756	601,893,076
Increase in investments in constituent funds	<u>(949,977,413)</u>	<u>(733,579,515)</u>
Increase in amounts receivable on redemption of units in constituent funds	<u>(340,534)</u>	<u>(6,650,954)</u>
(Increase)/ decrease in other accounts receivable	<u>(1,691,664)</u>	<u>25,701</u>
Increase in accounts payable	<u>23,466,885</u>	<u>20,939,540</u>
Cash used in operations	<u>(179,514,970)</u>	<u>(117,372,152)</u>
Interest received	<u>3,266</u>	<u>3,873</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(179,511,704)</u>	<u>(117,368,279)</u>
FINANCING ACTIVITIES		
Contributions received	1,240,016,593	1,105,382,430
Benefits paid	<u>(1,050,929,471)</u>	<u>(970,035,637)</u>
Forfeitures applied (Note)	<u>(749,470)</u>	<u>(1,074,646)</u>
NET CASH FROM FINANCING ACTIVITIES	<u>188,337,652</u>	<u>134,272,147</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,825,948	16,903,868
CASH AND CASH EQUIVALENTS AT 1 APRIL	<u>24,978,249</u>	<u>8,074,381</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH	<u><u>33,804,197</u></u>	<u><u>24,978,249</u></u>
REPRESENTED BY:		
Bank balances	<u><u>33,804,197</u></u>	<u><u>24,978,249</u></u>

Note:

The forfeitures are applied in reducing contributions from the employers.

SHKP MPF EMPLOYER SPONSORED SCHEME

REVENUE STATEMENT - CONSTITUENT FUNDS FOR THE YEAR ENDED 31 MARCH 2026

NOTES	Allianz Choice Stable				Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
INCOME/ (LOSSES)														
Interest income on bank deposits	10(f)	7,626	20,668	22,257	56,898	10,057	26,799	10,865	30,300	7,063,568	12,984,736	21,734	53,461	
Interest income on financial assets at fair value through profit or loss		-	-	-	-	-	-	-	-	5,014,193	5,553,269	-	-	
Cash rebate and expense cap from managed funds	5	255,439	20,628	4,964,556	4,715,646	2,437,124	2,400,616	-	-	-	-	-	-	
Net realised gain on financial assets at fair value through profit or loss		19,442,216	11,733,141	61,886,757	35,549,686	25,130,819	14,212,306	6,788,950	1,432,143	8,728,515	8,176,724	86,034,575	36,272,438	
Net unrealised gain/(loss) on financial assets at fair value through profit or loss		32,560,114	15,478,267	104,718,219	71,814,051	42,036,079	25,700,749	18,191,232	20,461,477	(479,289)	1,640,574	82,255,428	240,291,959	
Reimbursement of constituent fund exceeding the permitted percentage		59,909	-	-	-	-	-	53,954	-	-	-	38,053	-	
Other income		-	-	4,908	1,830	877	855	-	-	-	-	-	-	
		<u>52,325,304</u>	<u>27,252,704</u>	<u>171,596,697</u>	<u>112,138,111</u>	<u>69,614,956</u>	<u>42,341,325</u>	<u>25,045,001</u>	<u>21,923,920</u>	<u>20,326,987</u>	<u>28,355,303</u>	<u>168,349,790</u>	<u>276,617,858</u>	
EXPENSES														
Accounting fee	10(e)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,375)	(24,325)	(24,375)	(24,375)	
Administration fee	10(d)	-	(585,461)	-	(1,932,283)	-	(989,193)	-	(682,760)	-	(952,393)	-	(1,896,658)	
eMPF Platform fee	10(d)	(1,121,970)	(506,287)	(3,629,089)	(1,672,723)	(1,815,056)	(844,224)	(1,297,268)	(591,894)	(1,842,961)	(843,846)	(4,168,106)	(1,824,115)	
Auditor's remuneration		(1,528)	(32,616)	(2,325)	(107,143)	(137)	(55,210)	(547)	(37,920)	(3,694)	(52,746)	(26,042)	(109,737)	
Miscellaneous expenses		(3,694)	(4,560)	(3,694)	(4,560)	(3,694)	(4,560)	(3,694)	(4,560)	(3,514)	(4,560)	(3,694)	(4,560)	
MPF indemnity insurance		(52,236)	(58,723)	(171,657)	(193,105)	(86,333)	(99,615)	(60,689)	(68,762)	(82,815)	(93,116)	(192,009)	(199,249)	
Publishing fee		(10,600)	(10,066)	(10,600)	(10,066)	(10,600)	(10,066)	(10,600)	(10,066)	(10,600)	(10,578)	(10,600)	(10,066)	
Registration fee		(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	
Trustee fee	10(c)	(560,985)	(420,418)	(1,814,544)	(1,388,442)	(907,528)	(704,738)	(351,343)	(221,265)	(1,228,641)	(970,733)	(1,128,862)	(663,376)	
Printing and postage fee		(50,185)	(50,000)	(50,185)	(49,999)	(50,187)	(50,000)	(50,202)	(49,986)	(50,187)	(49,900)	(50,186)	(49,998)	
Management fee	10(b)	-	-	-	-	-	-	-	-	(1,612,591)	(1,452,660)	-	-	
Bank charges		(415)	(430)	(415)	(430)	(415)	(430)	(415)	(430)	(7,925)	(6,270)	(415)	(430)	
Legal and professional fee		-	(23,297)	-	(76,530)	-	(39,435)	-	(27,086)	-	(37,676)	-	(78,384)	
Valuation fee		(24,600)	(12,200)	(24,600)	(12,200)	(24,600)	(12,200)	(24,600)	(12,200)	(50,200)	(24,800)	(24,600)	(12,200)	
Sub-custodian fee		-	-	-	-	-	-	-	-	(58,154)	(60,658)	-	-	
Transaction fees		-	-	-	-	-	-	-	-	(46,395)	(38,937)	-	-	
Set up expense		-	-	-	-	-	-	-	-	-	-	-	-	
		<u>(1,850,808)</u>	<u>(1,728,653)</u>	<u>(5,731,704)</u>	<u>(5,472,076)</u>	<u>(2,923,145)</u>	<u>(2,834,266)</u>	<u>(1,823,953)</u>	<u>(1,731,524)</u>	<u>(5,022,272)</u>	<u>(4,623,418)</u>	<u>(5,629,109)</u>	<u>(4,873,368)</u>	
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS														
		<u>50,474,496</u>	<u>25,524,051</u>	<u>165,864,993</u>	<u>106,666,035</u>	<u>66,691,811</u>	<u>39,507,059</u>	<u>23,221,048</u>	<u>20,192,396</u>	<u>15,304,715</u>	<u>23,731,885</u>	<u>162,720,681</u>	<u>271,744,490</u>	

SHKP MPF EMPLOYER SPONSORED SCHEME

REVENUE STATEMENT - CONSTITUENT FUNDS - continued FOR THE YEAR ENDED 31 MARCH 2026

		Allianz Choice Balanced Fund		Invesco Global Stable Fund		Schroder MPF Core Accumulation Fund		Schroder MPF Age 65 Plus Fund			Total
	NOTES	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$
INCOME/ (LOSSES)											
Interest income on bank deposits	10(f)	11,256	26,725	8,340	16,773	14,649	32,716	11,390	23,508	7,181,742	13,272,584
Interest income on financial assets at fair value through profit or loss		-	-	-	-	-	-	-	-	5,014,193	5,553,269
Cash rebate and expense cap from managed funds	5	454,349	35,009	3,354,970	3,103,164	-	-	-	-	11,466,438	10,275,063
Net realised gain on financial assets at fair value through profit or loss		37,365,593	21,437,233	11,440,603	4,580,773	38,310,100	28,355,717	10,970,394	6,248,689	306,098,522	167,998,850
Net unrealised gain/ (loss) on financial assets at fair value through profit or loss		79,234,319	36,634,220	35,416,300	23,707,685	53,543,762	(1,817,686)	6,454,020	2,762,110	453,930,184	436,673,406
Reimbursement of constituent fund exceeding the permitted percentage		106,452	-	36,150	-	-	-	16,313	-	310,831	-
Other income		-	-	-	-	-	-	-	44	5,785	2,729
		<u>117,171,969</u>	<u>58,133,187</u>	<u>50,256,363</u>	<u>31,408,395</u>	<u>91,868,511</u>	<u>26,570,747</u>	<u>17,452,117</u>	<u>9,034,351</u>	<u>784,007,695</u>	<u>633,775,901</u>
EXPENSES											
Accounting fee	10(e)	(24,375)	(24,375)	(24,375)	(24,375)	-	-	-	-	(195,000)	(194,950)
Administration fee	10(d)	-	(982,455)	-	(794,062)	-	(875,737)	-	(402,126)	-	(10,093,128)
eMPF Platform fee	10(d)	(1,994,268)	(866,090)	(1,472,342)	(680,952)	(1,986,601)	(822,548)	(853,230)	(371,614)	(20,180,891)	(9,024,293)
Auditor's remuneration		(7,968)	(53,981)	-	(44,891)	(35,326)	(44,372)	(10,502)	(21,275)	(88,069)	(559,891)
Miscellaneous expenses		(3,694)	(4,560)	(3,694)	(4,560)	(3,694)	(4,560)	(3,694)	(4,560)	(36,760)	(45,600)
MPF indemnity insurance		(90,738)	(97,205)	(69,479)	(82,097)	(88,458)	(78,861)	(39,292)	(38,694)	(933,706)	(1,009,427)
Publishing fee		(10,600)	(10,066)	(10,600)	(10,066)	(10,600)	(9,539)	(10,600)	(9,673)	(106,000)	(100,252)
Registration fee		(220)	(220)	(220)	(220)	(220)	(220)	(220)	(220)	(2,200)	(2,200)
Trustee fee	10(c)	(997,134)	(713,747)	(736,171)	(567,351)	(2,276,313)	(1,677,497)	(977,660)	(763,306)	(10,979,181)	(8,090,873)
Printing and postage fee		(50,184)	(49,998)	(50,186)	(49,998)	(50,185)	(50,002)	(50,186)	(50,002)	(501,873)	(499,883)
Management fee	10(b)	-	-	-	-	-	-	-	-	(1,612,591)	(1,452,660)
Bank charges		(415)	(430)	(415)	(430)	(415)	(430)	(415)	(430)	(11,660)	(10,140)
Legal and professional fee		-	(38,559)	-	(32,065)	-	(31,694)	-	(15,196)	-	(399,922)
Valuation fee		(24,600)	(12,200)	(24,600)	(12,200)	-	-	-	-	(222,400)	(110,200)
Sub-custodian fee		-	-	-	-	-	-	-	-	(58,154)	(60,658)
Transaction fees		-	-	-	-	-	-	-	-	(46,395)	(38,937)
Set up expense		-	-	-	-	-	(92,663)	-	(92,663)	-	(185,326)
		<u>(3,204,196)</u>	<u>(2,853,886)</u>	<u>(2,392,082)</u>	<u>(2,303,267)</u>	<u>(4,451,812)</u>	<u>(3,688,123)</u>	<u>(1,945,799)</u>	<u>(1,769,759)</u>	<u>(34,974,880)</u>	<u>(31,878,340)</u>
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS											
		<u>113,967,773</u>	<u>55,279,301</u>	<u>47,864,281</u>	<u>29,105,128</u>	<u>87,416,699</u>	<u>22,882,624</u>	<u>15,506,318</u>	<u>7,264,592</u>	<u>749,032,815</u>	<u>601,897,561</u>

SHKP MPF EMPLOYER SPONSORED SCHEME

STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS AS AT 31 MARCH 2026

	NOTES	Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
		2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
ASSETS													
Financial assets at fair value through profit or loss	6	473,881,658	426,827,939	1,516,798,322	1,403,153,352	755,226,869	712,172,953	568,614,287	506,654,907	503,825,673	457,507,150	1,758,413,762	1,566,372,199
Amounts receivable on sale of financial assets at fair value through profit or loss		1,237,319	946,196	1,892,512	3,087,384	279,183	1,615,805	1,473,217	1,346,007	-	3,000,000	7,220,097	3,908,954
Amounts receivable on subscriptions		64,172	115,077	310,709	439,594	135,171	2,612	995,369	10,963	8,083,543	2,150,627	947,950	1,950,963
Prepayment and other receivables		117,121	61,092	1,445,924	973,113	714,646	491,363	56,564	63,862	1,056,584	1,324,999	186,238	196,338
Bank balances	7, 10(f)	2,773,055	2,881,112	6,388,627	6,798,942	3,586,096	3,426,029	3,737,199	5,484,999	172,910,550	157,156,021	11,094,125	11,167,863
Bank deposits with original maturity over three months	7	-	-	-	-	-	-	-	-	126,523,609	142,989,906	-	-
Total assets		478,073,325	430,831,416	1,526,836,094	1,414,452,385	759,941,965	717,708,762	574,876,636	513,560,738	812,399,959	764,128,703	1,777,862,172	1,583,596,317
LIABILITIES													
Accounts payable	10(b), 10(c) 10(d), 10(e)	475,301	316,671	1,356,448	915,300	718,143	494,883	485,024	339,184	1,176,446	781,893	1,335,005	876,845
Amounts payable to the Scheme on redemption		1,232,755	979,808	2,911,819	3,511,562	520,535	2,179,294	1,261,947	1,177,383	3,122,803	3,426,640	6,571,892	3,585,528
Amounts payable on purchases		-	-	-	-	-	-	-	-	12,000,000	14,707,541	-	-
Total liabilities		1,708,056	1,296,479	4,268,267	4,426,862	1,238,678	2,674,177	1,746,971	1,516,567	16,299,249	18,916,074	7,906,897	4,462,373
Net assets attributable to unitholders		476,365,269	429,534,937	1,522,567,827	1,410,025,523	758,703,287	715,034,585	573,129,665	512,044,171	796,100,710	745,212,629	1,769,955,275	1,579,133,944
Number of units		16,246,361.273	16,383,672.777	5,704,899.121	5,916,510.921	3,301,518.180	3,404,049.940	42,680,843.509	39,832,083.565	62,802,655.271	59,972,351.749	41,297,585.906	40,705,910.153
Net asset value per unit		29.32	26.22	266.89	238.32	229.80	210.05	13.428	12.855	12.676	12.426	42.859	38.794

SHKP MPF EMPLOYER SPONSORED SCHEME

STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS - continued AS AT 31 MARCH 2026

		Allianz Choice Balanced Fund		Invesco Global Stable Fund		Schroder MPF Core Accumulation Fund		Schroder MPF Age 65 Plus Fund			
	NOTES	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$
ASSETS											
Financial assets at fair value											
through profit or loss	6	862,412,151	730,939,304	614,361,104	576,977,258	913,271,797	704,310,912	385,458,340	322,570,995	8,352,263,963	7,407,486,969
Amounts receivable on sale											
of financial assets at fair value											
through profit or loss		1,502,825	1,593,941	506,798	872,044	4,488,057	2,448,627	2,990,430	1,606,518	21,590,438	20,425,476
Amounts receivable on subscriptions		1,059,125	350,693	78,125	75,938	2,641,401	1,553,658	4,129,778	1,591,129	18,445,343	8,241,254
Prepayment and other receivables		210,592	102,319	1,021,193	954,349	87,341	88,211	37,053	40,333	4,933,256	4,295,979
Bank balances	7, 10(f)	4,777,531	3,967,596	3,871,863	2,708,017	5,070,969	5,197,905	3,086,817	3,760,933	217,296,832	202,549,417
Bank deposits with original maturity											
over three months	7	-	-	-	-	-	-	-	-	126,523,609	142,989,906
Total assets		869,962,224	736,953,853	619,839,083	581,587,606	925,559,565	713,599,313	395,702,418	329,569,908	8,741,053,441	7,785,989,001
LIABILITIES											
Accounts payable	10(b), 10(c) 10(d), 10(e)	782,617	490,319	601,178	417,007	1,096,408	586,374	511,104	358,691	8,537,674	5,577,167
Amounts payable to the Scheme											
on redemption		2,116,784	1,563,190	847,928	1,276,360	5,527,556	3,079,004	3,511,256	2,012,445	27,625,275	22,791,214
Amounts payable on purchases		-	-	-	-	-	-	-	-	12,000,000	14,707,541
Total liabilities		2,899,401	2,053,509	1,449,106	1,693,367	6,623,964	3,665,378	4,022,360	2,371,136	48,162,949	43,075,922
Net assets attributable to unitholders		867,062,823	734,900,344	618,389,977	579,894,239	918,935,601	709,933,935	391,680,058	327,198,772	8,692,890,492	7,742,913,079
Number of units		18,580,734.682	18,206,917.290	47,419,886.103	48,147,894.407	52,885,879.792	45,895,073.907	32,222,485.941	28,200,459.994		
Net asset value per unit		46.66	40.36	13.0407	12.0440	17.3758	15.4686	12.1555	11.6026		

SHKP MPF EMPLOYER SPONSORED SCHEME

STATEMENT OF CHANGES IN NET ASSETS - CONSTITUENT FUNDS FOR THE YEAR ENDED 31 MARCH 2026

	Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$
BALANCE BROUGHT												
FORWARD	429,534,937	408,257,984	1,410,025,523	1,343,413,224	715,034,585	691,699,781	512,044,171	470,065,558	745,212,629	654,944,047	1,579,133,944	1,360,846,468
Subscription of units	77,005,501	68,276,214	222,137,369	210,498,645	104,628,343	96,145,735	153,683,993	127,746,808	381,167,015	280,747,503	366,012,133	266,319,290
Redemption of units	(80,649,665)	(72,523,312)	(275,460,058)	(250,552,381)	(127,651,452)	(112,317,990)	(115,819,547)	(105,960,591)	(345,583,649)	(214,210,806)	(337,911,483)	(319,776,304)
Total subscription less redemption	(3,644,164)	(4,247,098)	(53,322,689)	(40,053,736)	(23,023,109)	(16,172,255)	37,864,446	21,786,217	35,583,366	66,536,697	28,100,650	(53,457,014)
Increase in net assets attributable to unitholders from operations	50,474,496	25,524,051	165,864,993	106,666,035	66,691,811	39,507,059	23,221,048	20,192,396	15,304,715	23,731,885	162,720,681	271,744,490
BALANCE CARRIED FORWARD	476,365,269	429,534,937	1,522,567,827	1,410,025,523	758,703,287	715,034,585	573,129,665	512,044,171	796,100,710	745,212,629	1,769,955,275	1,579,133,944
Number of units												
- issued during the year	2,667,615.6539	2,671,252.0234	842,218.8850	910,405.2960	459,423.8770	467,939.4240	11,603,460.0300	10,111,674.0680	30,357,054.2630	22,932,455.6720	8,559,746.0220	7,568,581.4950
- redeemed during the year	2,804,927.1575	2,833,506.8119	1,053,830.6850	1,081,840.9420	561,955.6370	546,529.1530	8,754,699.3820	8,388,629.1820	27,526,750.7410	17,508,449.1070	7,968,070.2690	9,202,888.4430

SHKP MPF EMPLOYER SPONSORED SCHEME

STATEMENT OF CHANGES IN NET ASSETS - CONSTITUENT FUNDS - continued FOR THE YEAR ENDED 31 MARCH 2026

	Allianz Choice Balanced Fund		Invesco Global Stable Fund		Schroder MPF Core Accumulation Fund		Schroder MPF Age 65 Plus Fund		Total	
	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$	2026 HK\$	2025 HK\$
BALANCE BROUGHT FORWARD	734,900,344	678,945,238	579,894,239	559,222,100	709,933,935	572,893,675	327,198,772	269,045,489	7,742,913,079	7,009,333,564
Subscription of units	158,802,604	124,545,775	81,170,445	78,545,546	363,063,962	337,786,575	224,665,508	196,257,632	2,132,336,873	1,786,869,723
Redemption of units	(140,607,898)	(123,869,970)	(90,538,988)	(86,978,535)	(241,478,995)	(223,628,939)	(175,690,540)	(145,368,941)	(1,931,392,275)	(1,655,187,769)
Total subscription less redemption	18,194,706	675,805	(9,368,543)	(8,432,989)	121,584,967	114,157,636	48,974,968	50,888,691	200,944,598	131,681,954
Increase in net assets attributable to unitholders from operations	113,967,773	55,279,301	47,864,281	29,105,128	87,416,699	22,882,624	15,506,318	7,264,592	749,032,815	601,897,561
BALANCE CARRIED FORWARD	867,062,823	734,900,344	618,389,977	579,894,239	918,935,601	709,933,935	391,680,058	327,198,772	8,692,890,492	7,742,913,079
Number of units										
- issued during the year	3,471,541.1938	3,180,102.7600	6,298,784.6170	6,684,626.1680	21,176,335.4705	21,863,093.1889	18,575,832.1253	17,009,275.3473		
- redeemed during the year	3,097,723.8010	3,159,127.5188	7,026,792.9210	7,416,494.3690	14,185,529.5861	14,465,218.5517	14,553,806.1786	12,600,625.9384		

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. GENERAL

SHKP MPF Employer Sponsored Scheme (the "Scheme") is an employer sponsored scheme constituted by a trust deed dated 20 October 2000, as amended, (the "Trust Deed") and governed by the laws of the Hong Kong Special Administrative Region of the People's Republic of China. The Scheme is designed to provide retirement benefits to the members under the Scheme.'

The Scheme consists of ten constituent funds, namely, Allianz Choice Stable Growth Fund, Fidelity Balanced Fund, Fidelity Stable Growth Fund, Manulife Career Average Guaranteed Fund - SHKP, Invesco MPF Conservative Fund, SHKP MPF Fund, Allianz Choice Balanced Fund, Invesco Global Stable Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund (the "Constituent Funds") during the years ended 31 March 2026 and 2025.

On 2 October 2024, the Scheme has been onboarded to the eMPF Platform. Upon the Scheme got onboard to the eMPF Platform, the administration of the Scheme is performed by the eMPF Platform. As a result of the use of eMPF Platform for scheme administration services, the administration fees at constituent fund level in respect of the Constituent Funds have been reduced with effect from 2 October 2024. The administration fee has been renamed as eMPF Platform fee effective from 2 October 2024.

The financial statements are presented in Hong Kong dollars ("HK\$"), the functional currency of the Scheme and the Constituent Funds.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Scheme and its Constituent Funds have applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective to these financial statements for the annual period beginning on 1 April 2025 for the preparation of the financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current period has had no material impact on the these financial positions and performance for the current period and/or on the disclosures set out in these financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Scheme and its Constituent Funds have not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards - Volume 11 ¹
HKFRS 18	Presentation and Disclosure in Financial Statements ²

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual periods beginning on or after 1 January 2027

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS - continued

New and amendments to HKFRS Accounting Standards in issue but not yet effective - continued

Except for the new HKFRS Accounting Standard mentioned below, the Trustee anticipates that the application of all amendments to HKFRS Accounting Standards will have no material impact on the financial statements in the foreseeable future.

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* ("HKAS 1"). 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 revenue statement; 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 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of HKFRS 18) and HKFRS 7 *Financial Instruments: Disclosures*, 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. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Scheme and Constituent Funds in terms of recognition and measurement. However, it is expected to affect the structure and the presentation of the Scheme's Statement of Changes in Net Assets Available for Benefits and the constituent funds' Revenue Statement. The Scheme is in the process of assessing the detailed impact of HKFRS 18 on the Scheme's and Constituent Funds' financial statements.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the two years presented, unless otherwise stated.

(a) **Basis of preparation of financial statements**

The financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Mandatory Provident Fund Schemes (General) Regulation. The financial statements have been prepared under the historical cost convention, as modified by the measurement of financial assets and financial liabilities (including derivative financial instruments) that are measured at fair value at the end of each reporting period as explained in the accounting policies below.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Trustee to exercise its judgement in the process of applying the Scheme's and Constituent Funds' accounting policies.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - continued

(b) Material accounting policy information

Fair value measurement

The financial statements of the Scheme and the Constituent Funds are prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods/services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Scheme and the Constituent Funds take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Scheme and its Constituent Funds determine whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revenue recognition

Investment return comprises both realised and unrealised gains or losses on investments.

Gains or losses arising from regular disposal of investments are recognised on a trade date basis when the contracts to sell the investments are entered into.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Expenses

All expenses are recognised in the statement of changes in net assets available for benefits - Scheme and the Revenue Statement - Constituent Funds on an accrual basis.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of net assets available for benefits - Scheme and the statement of assets and liabilities - Constituent Funds, when the Scheme and the Constituent Funds become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of changes in net assets available for benefits - Scheme and the Revenue Statement - Constituent Funds. Regular purchases and sales of investments are recognised on the trade date - the date on which the Scheme and its constituent funds commit to purchase or sell the investment.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis in the statement of changes in net assets available for benefits - Scheme and the Revenue Statement - Constituent Funds.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Financial instruments - continued

Financial assets - continued

Classification and subsequent measurement of financial assets - continued

- on initial recognition it is a part of a portfolio of identified financial instruments that the Scheme and the Constituent Funds manage together and have a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Scheme and the Constituent Funds may irrevocably designate a financial asset that is required to be measured at the amortised cost as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL and Investments in constituent funds 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 financial assets at FVTPL of the Constituent Funds, other than those of Invesco MPF Conservative Fund, comprised investments in other funds ("Underlying Fund"). The net gain or loss recognised in the Revenue Statement - Constituent Funds and Statement of Net Assets Available For Benefits - Scheme, respectively, excludes any dividend or interest earned on the financial assets.

Impairment of financial assets

The Scheme and the Constituent Funds perform impairment assessment under Expected Credit Loss ("ECL") model on financial assets (including contributions receivable, amounts receivable on redemption of units in constituent funds, other accounts receivable, bank balances of the Scheme, amounts receivable on sale of financial assets at fair value through profit or loss, amounts receivable on subscriptions, other receivables, bank balances and bank deposits with original maturity over three months of the Constituent Funds) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING
POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets - continued

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. Assessment are done based on the Scheme's and the Constituent Funds' 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.

For all instruments, the Scheme and the Constituent Funds measure the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Scheme and the Constituent Funds recognise 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 Scheme and the Constituent Funds compare 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 Scheme and the Constituent Funds consider 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.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets - continued

(i) Significant increase in credit risk - continued

Despite the foregoing, the Scheme and the Constituent Funds assume that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Scheme and the Constituent Funds consider a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Scheme and the Constituent Funds regularly monitor 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 Scheme and the Constituent Funds consider 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 Scheme and the Constituent Funds, in full (without taking into account any collateral held by the Scheme and the Constituent Funds).

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default 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.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Financial instruments - continued

Financial assets - continued

Impairment of financial assets - continued

(iv) Write-off policy

The Scheme and the Constituent Funds write 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 Scheme's and the Constituent Funds' recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in statement of changes in net assets attributable to unitholders.

(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 adjusted by 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.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Scheme and the Constituent Funds in accordance with the contract and the cash flows that the Scheme and the Constituent Funds expect to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Scheme and the Constituent Funds recognise an impairment gain or loss in statement of changes in net assets attributable to unitholders for all financial instruments by adjusting their carrying amount.

Financial liabilities

Financial liabilities are classified in accordance with the substance of the contractual arrangements and the definitions of a financial liability. The Scheme's and Constituent Funds' financial liabilities are generally classified into net assets attributable to members/ unitholders and other financial liabilities.

Other financial liabilities

Other financial liabilities, including benefits payable, forfeitures payable and accounts payable of the Scheme; amounts payable to the Scheme on redemption, amounts payable on purchase and accounts payable of the Constituent Funds, are subsequently measured at amortised cost, using the effective interest method.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING
POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Financial instruments - continued

Financial liabilities - continued

Net assets attributable to members

The Scheme provides the members with the right to get their benefits for cash equal to their proportionate share of the net assets value of the Scheme through their interests in the Constituent Funds under certain circumstances in accordance with Mandatory Provident Fund Schemes Ordinance of Hong Kong (the "MPF Ordinance").

The liabilities to members are presented on the statement of net assets available for benefits - Scheme as "net assets attributable to members" and are determined based on the residual assets of the Scheme after deducting the Scheme's other liabilities.

Net assets attributable to unitholders

The units issued by the Constituent Funds provide the unitholders with the right to redeem their units for cash equal to their proportionate share of the net asset value of the Constituent Funds. The existence of the option for the unitholders to put the units back to the Constituent Funds in exchange for cash requires the Constituent Funds to classify the units as financial liabilities. Accordingly, the increase (decrease) in net assets attributable to unitholders resulting from operations in the Revenue Statement - Constituent Funds is income (expense) in nature. The subscriptions and redemptions by the unitholders are the increase or decrease in liabilities of the Constituent Funds.

The liabilities to unitholders are presented on the statement of assets and liabilities - Constituent Funds as "net assets attributable to unitholders" and are determined based on the residual assets of the Constituent Funds after deducting the Constituent Funds' other liabilities.

Derecognition

The Scheme and the Constituent Funds derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the financial assets to another entity. If the Scheme and the Constituent Funds neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Scheme and the Constituent Funds continue to recognise the asset to the extent of their continuing involvement and associated liability. If the Scheme and the Constituent Funds retain substantially all the risks and rewards of ownership of a transferred financial asset, the Scheme and the Constituent Funds continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING
POLICY INFORMATION - continued

(b) **Material accounting policy information** - continued

Financial instruments - continued

Financial liabilities - continued

Derecognition - continued

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Changes in Net Assets Available for Benefits - Scheme and the Revenue Statement - Constituent Funds.

The Scheme and the Constituent Funds derecognise a financial liability when, and only when the Scheme's and Constituent Funds' obligations specified in the relevant contract 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 the statement of changes in net assets available for benefits - Scheme and the Revenue Statement - Constituent Funds.

Cash and cash equivalents

Cash and cash equivalents include bank balances, bank deposits with original maturities of 3 months or less from the date of placement, which are held for the purpose of meeting short-term cash commitments rather than net of bank overdrafts, if any.

Provisions

Provisions are recognised when the Scheme and the Constituent Funds have a present obligation (legal or constructive) as a result of a past event, it is probable that the Scheme and the Constituent Funds will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at 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 (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contributions and benefits of the Scheme

Contributions are accounted for on an accrual basis. Benefits are accounted for on an accrual basis to the extent of benefits becoming payable prior to the financial year end.

Amounts receivable on sale of financial assets at fair value through profit or loss

Amounts receivable on sale of financial assets at fair value through profit or loss represent receivables for investments sold that have been contracted for but not yet delivered by the end of the financial year.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING
POLICY INFORMATION - continued

(b) Material accounting policy information - continued

Transfers in and transfers out

Transfer-in amounts are accounted for on the effective date of transfer.

Transfer-out amounts are accounted for when the obligation to make payment is established.

Forfeitures

The Scheme's rules provide that where benefits are paid to members who have been members for less than a certain period of time, they receive only a proportion of the employers' voluntary contributions paid into the Scheme on their behalf. In such cases these forfeitures are applied in reducing future contributions of the employers, retained in the Scheme for the benefit of other members or returned to the employers.

Subscription and redemption of the Constituent Funds

Subscription and redemption of units are accounted for on a transaction date basis.

Foreign currencies

In preparing the financial statements of the Scheme and the Constituent Funds, transactions in currencies other than the functional currency of the Scheme and the Constituent Funds (foreign currencies) are recorded in their functional currency (i.e. the currency of the primary economic environment in which the Scheme and the Constituent Funds operate) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

4. TAXATION

The Scheme is exempted from Hong Kong tax on income and capital gains under Section 26A, Part (1A) of the Hong Kong Inland Revenue Ordinance.

5. CASH REBATE AND EXPENSE CAP FROM MANAGED FUNDS

The amount represented cash rebate from the underlying investments of the corresponding Constituent Funds.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2026</u> HK\$	<u>2025</u> HK\$
<i>Scheme</i>		
Investments in constituent funds		
Allianz Choice Stable Growth Fund	476,365,269	429,534,937
Fidelity Balanced Fund	1,522,567,827	1,410,025,523
Fidelity Stable Growth Fund	758,703,287	715,034,585
Manulife Career Average Guaranteed Fund - SHKP	573,129,665	512,044,171
Invesco MPF Conservative Fund	796,100,710	745,212,629
SHKP MPF Fund	1,769,955,275	1,579,133,944
Allianz Choice Balanced Fund	867,062,823	734,900,344
Invesco Global Stable Fund	618,389,977	579,894,239
Schroder MPF Core Accumulation Fund	918,935,601	709,933,935
Schroder MPF Age 65 Plus Fund	391,680,058	327,198,772
	<u>8,692,890,492</u>	<u>7,742,913,079</u>
<i>Constituent Funds</i>		
<u>Allianz Choice Stable Growth Fund</u>		
Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund (Ord. A)	473,881,658	426,827,939
<u>Fidelity Balanced Fund</u>		
Fidelity Global Investment Fund - Balanced Fund	1,516,798,322	1,403,153,352
<u>Fidelity Stable Growth Fund</u>		
Fidelity Global Investment Fund - Stable Growth Fund	755,226,869	712,172,953
<u>Manulife Career Average Guaranteed Fund - SHKP</u>		
Manulife Career Average Guaranteed Fund	568,614,287	506,654,907
<u>Invesco MPF Conservative Fund</u>		
Certificates of deposit	319,350,561	268,388,053
Treasury bills	106,906,190	139,767,768
Listed debt securities	15,135,320	7,403,796
Unlisted debt securities	62,433,602	41,947,533
	<u>503,825,673</u>	<u>457,507,150</u>
<u>SHKP MPF Fund</u>		
SHKP Nexus Fund - SHKP MPF Fund	1,758,413,762	1,566,372,199

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - continued

	<u>2026</u> HK\$	<u>2025</u> HK\$
<i>Constituent Funds - continued</i>		
<u>Allianz Choice Balanced Fund</u>		
Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund	862,412,151	730,939,304
<u>Invesco Global Stable Fund</u>		
Invesco Pooled Investment Fund - Global Stable Fund	614,361,104	576,977,258
<u>Schroder MPF Core Accumulation Fund</u>		
Schroder MPF Core 60/40 Fund	913,271,797	704,310,912
<u>Schroder MPF Age 65 Plus Fund</u>		
Schroder MPF Core 20/80 Fund	385,458,340	322,570,995
	<u>8,352,263,963</u>	<u>7,407,486,969</u>

7. BANK BALANCES AND BANK DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS

The bank balances of the Scheme and the Constituent Funds at 31 March 2026 and 2025 are all savings accounts carrying interest at prevailing market rates and time deposits carrying interest at fixed rates.

	<u>2026</u> HK\$	<u>2025</u> HK\$
<i>Scheme</i>		
Savings accounts	<u>33,804,197</u>	<u>24,978,249</u>
<i>Constituent Funds</i>		
<u>Allianz Choice Stable Growth Fund</u>		
Savings accounts	<u>2,773,055</u>	<u>2,881,112</u>
<u>Fidelity Balanced Fund</u>		
Savings accounts	<u>6,388,627</u>	<u>6,798,942</u>
<u>Fidelity Stable Growth Fund</u>		
Savings accounts	<u>3,586,096</u>	<u>3,426,029</u>
<u>Manulife Career Average Guaranteed Fund - SHKP</u>		
Savings accounts	<u>3,737,199</u>	<u>5,484,999</u>
<u>Invesco MPF Conservative Fund</u>		
Savings accounts	19,005,634	51,980,796
Time deposits		
Bank deposits with original maturity of three months or less than three months	153,904,916	105,175,225
Bank deposits with original maturity of more than three months	126,523,609	142,989,906
	<u>299,434,159</u>	<u>300,145,927</u>

Savings accounts earn interest at floating rates based on daily bank deposit rates. Time deposits carried interest which range from 1.8 % to 3.08 % (2025: 3.49% to 4%) per annum as at 31 March 2026.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

7. BANK BALANCES AND BANK DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS - continued

	<u>2026</u> HK\$	<u>2025</u> HK\$
<u>SHKP MPF Fund</u>		
Savings accounts	<u>11,094,125</u>	<u>11,167,863</u>
<u>Allianz Choice Balanced Fund</u>		
Savings accounts	<u>4,777,531</u>	<u>3,967,596</u>
<u>Invesco Global Stable Fund</u>		
Savings accounts	<u>3,871,863</u>	<u>2,708,017</u>
<u>Schroder MPF Core Accumulation Fund</u>		
Savings accounts	<u>5,070,969</u>	<u>5,197,905</u>
<u>Schroder MPF Age 65 Plus Fund</u>		
Savings accounts	<u>3,086,817</u>	<u>3,760,933</u>

The savings accounts of the Constituent Funds were held in Standard Chartered Bank (Hong Kong) Limited, the holding company of the Trustee as at 31 March 2026 and 2025. Time deposits are placed with various financial institutions for fixed terms and earn interest at fixed deposit rates.

8. FINANCIAL INSTRUMENTS

Categories of financial instruments of the Scheme

	<u>2026</u> HK\$	<u>2025</u> HK\$
Financial assets		
At fair value through profit or loss	8,692,890,492	7,742,913,079
Amortised cost	<u>196,573,174</u>	<u>139,121,074</u>
Financial liabilities at amortised cost		
Other financial liabilities	302,589,867	142,612,838
Net assets attributable to member	<u>8,586,873,799</u>	<u>7,739,421,315</u>

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Categories of financial instruments of the Constituent Funds

	Allianz Choice Stable Growth Fund		Fidelity Balanced Fund		Fidelity Stable Growth Fund		Manulife Career Average Guaranteed Fund - SHKP		Invesco MPF Conservative Fund		SHKP MPF Fund	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Financial assets												
At fair value through profit or loss	473,881,658	426,827,939	1,516,798,322	1,403,153,352	755,226,869	712,172,953	568,614,287	506,654,907	503,825,673	457,507,150	1,758,413,762	1,566,372,199
Amortised cost	4,191,667	4,003,477	10,037,772	11,299,033	4,715,096	5,535,809	6,262,349	6,905,831	308,574,286	306,621,553	19,448,410	17,224,118
Financial liabilities at amortised cost												
Other financial liabilities	1,708,056	1,296,479	4,268,267	4,426,862	1,238,678	2,674,177	1,746,971	1,516,567	16,299,249	18,916,074	7,906,897	4,462,373
Net assets attributable to unitholders	476,365,269	429,534,937	1,522,567,827	1,410,025,523	758,703,287	715,034,585	573,129,665	512,044,171	796,100,710	745,212,629	1,769,955,275	1,579,133,944
	Allianz Choice Balanced Fund		Invesco Global Stable Fund		Schroder MPF Core Accumulation Fund		Schroder MPF Age 65 Plus Fund		Total			
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Financial assets												
At fair value through profit or loss	862,412,151	730,939,304	614,361,104	576,977,258	913,271,797	704,310,912	385,458,340	322,570,995	8,352,263,963	7,407,486,969		
Amortised cost	7,550,073	6,014,549	5,477,979	4,610,348	12,287,768	9,288,401	10,244,078	6,998,913	388,789,478	378,502,032		
Financial liabilities at amortised cost												
Other financial liabilities	2,899,401	2,053,509	1,449,106	1,693,367	6,623,964	3,665,378	4,022,360	2,371,136	48,162,949	43,075,922		
Net assets attributable to unitholders	867,062,823	734,900,344	618,389,977	579,894,239	918,935,601	709,933,935	391,680,058	327,198,772	8,692,890,492	7,742,913,079		

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies

The Scheme's major financial instruments include investments in constituent funds, contributions receivable and benefits payable. The Constituent Funds' major financial instruments include financial assets at fair value through profit or loss, bank balances and bank deposits with original maturity over three months. Details of the financial instruments are disclosed in respective notes. The risks associated with those financial instruments include market risks (price risk, interest rate risk and currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The Trustee manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner. There are no changes in objectives, policies and processes in managing the risks during the current and prior periods.

Market risk

The Scheme's and the Constituent Funds' activities expose them primarily to the market risks arising from changes in market prices, interest rates and foreign exchange rates.

Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices.

The Scheme is exposed to market price risk arising from its investments in constituent funds and the underlying investments of the Constituent Funds. The Scheme's overall market positions are monitored on a monthly basis (other than these arising from interest rate risk or currency risk).

Price sensitivity

The following details the Scheme's and the Constituent Funds' sensitivity to a 5% increase or decrease in the market price of investments in constituent funds and the underlying investments of the Constituent Funds, with 5% being the sensitivity rate used when assessing price risk internally by the Trustee and represents the Scheme's and the Constituent Funds' assessment of the possible change in market price.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies - continued

Market risk - continued

Price risk - continued

Price sensitivity - continued

At the end of the reporting period, if market prices had been 5% higher/lower with all other variables held constant, the net assets attributable to members/unitholders for the year would have increased or decreased by:

	<u>2026</u> HK\$	<u>2025</u> HK\$
Members	<u>+/-434,644,525</u>	<u>+/-387,145,654</u>
Unitholders of:		
Allianz Choice Stable Growth Fund	+/-23,694,083	+/-21,341,397
Fidelity Balanced Fund	+/-75,839,916	+/- 70,157,668
Fidelity Stable Growth Fund	+/-37,761,343	+/- 35,608,648
Manulife Career Average Guaranteed Fund - SHKP	+/-28,430,714	+/- 25,332,745
Invesco MPF Conservative Fund (Note)	N/A	N/A
SHKP MPF Fund	+/-87,920,688	+/- 78,318,610
Allianz Choice Balanced Fund	+/-43,120,608	+/- 36,546,965
Invesco Global Stable Fund	+/-30,718,055	+/- 28,848,863
Schroder MPF Core Accumulation Fund	+/-45,663,590	+/- 35,215,546
Schroder MPF Age 65 Plus Fund	<u>+/-19,272,917</u>	<u>+/- 16,128,550</u>

Note: N/A as the constituent fund does not have exposure to equity price risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Scheme and the Constituent Funds are exposed to cash flow interest rate risk as the bank balances comprise interest-bearing savings accounts at variable interest rate. The Trustee considers the interest rate risk to be minimal as savings account balances represent only a small proportion of the Scheme's and the Constituent Funds' net assets and changes in market interest rates would not have a material impact on the results or net assets attributable to members/unitholder.

Invesco MPF Conservative Fund is exposed to fair value interest rate risk in relation to fixed rate certificates of deposit, treasury bills, listed debt securities and unlisted debt securities. As at 31 March 2026, should the relevant market interest rates drop/rise by 25 basis points with all other variables held constant, the increase/decrease in profit for the year and net assets attributable to unitholders would amount to approximately HK\$332,560 (2025: HK\$382,797).

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies - continued

Market risk - continued

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

As at 31 March 2026 and 2025, the Scheme and the Constituent Funds did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollars. As a result, there is no currency exposure to the Scheme and the Constituent Funds and no sensitivity analysis is presented.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Scheme and the Constituent Funds.

At the end of the reporting period, financial assets of the Scheme which are exposed to credit risk consist principally of contributions receivable and bank balances. The credit risk is limited as the default of contribution from members is remote and all bank balances are placed with reputable financial institutions with high credit-ratings assigned by international credit-rating agencies.

At the end of the reporting period, financial assets of the Constituent Funds which are exposed to credit risk consist principally of amounts receivable on sale of investments, amounts receivable on subscription, bank balances and debt investments. The credit risk on amounts receivable on sale of investments is limited because the investments are held with the custodian with high credit-ratings assigned by international credit-rating agencies. The credit risk on amounts receivable on subscription is limited because all subscriptions are placed by the Scheme. The credit risk on bank balances is limited because the counterparties are banks or financial institutions with high credit ratings assigned by international credit-rating agencies. The credit risk arising from debt investments is mitigated as the debt investments held are subject to the requirement of maximum holding of 30% of net asset value for any single issuer. As at 31 March 2026 and 2025, issuers of certificates of deposit are entities with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk

Liquidity risk is the risk that the Scheme and the Constituent Funds will encounter difficulty in settling a liability, including a redemption request.

8. FINANCIAL INSTRUMENTS - continued

Financial risk management objectives and policies - continued

Liquidity risk - continued

The Scheme's major financial liabilities include benefits payable, forfeitures payable, amounts payable on long service and severance payments and net assets attributable to members. The Constituent Funds' major financial liabilities include net assets attributable to unitholders, amounts payable on redemption and other payables.

Net assets attributable to members/unitholders are repayable on demand. Therefore, the Scheme is exposed to daily cash withdrawal by members as benefits, transfers out and forfeitures payable, amounts payable on long service and severance payments. The Scheme invests in the Constituent Funds with the underlying investments traded in an active market and can be readily disposed of. The Constituent Funds are exposed to daily cash redemptions of units in the Constituent Funds. The Constituent Funds, other than Invesco MPF Conservative Fund, invest in the approved pooled investment funds (the "APIFs") with underlying investments traded in an active market and which can be readily disposed of. For Invesco MPF Conservative Fund, the liquidity risk is managed by investing predominantly in certificate of deposits, treasury bills and debt securities that it expects to be able to liquidate within 12 months. The majority of this constituent fund's assets comprise short-term bank deposits with original terms not exceeding 12 months and debt securities with remaining maturities of one year or less. Consequently, the constituent fund expects to be able to realise substantially all of its investments within one year under normal market conditions.

The other financial liabilities of the Scheme and the Constituent Funds are matured within one month based on the remaining period from the year end date to the contractual maturity date.

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- (i) the fair values of investments in constituent funds are based on the net asset value of the underlying Constituent Funds in which the Scheme invests. The fair value of the investments of the Constituent Funds are based on their quoted bid prices at the end of the reporting period; and
- (ii) the fair values of other financial assets and financial liabilities are determined based on estimated cash flows discounted at present market rate at the end of the reporting period.

The fair values of financial assets and financial liabilities measured at amortised cost approximate the corresponding carrying amount at the end of reporting period.

Fair value of the Scheme's and Constituent Funds' financial assets and financial liabilities that are measured at fair value on a recurring basis

The Scheme's and Constituent Funds' financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following tables give information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/statement of assets and liabilities - Constituent Funds

Scheme

<u>Financial assets</u>	<u>Fair value as at</u>		<u>Fair value hierarchy</u>	<u>Valuation technique and key input</u>
	<u>31.3.2026</u> HK\$	<u>31.3.2025</u> HK\$		
Investments in constituent funds	8,692,890,492	7,742,913,079	Level 2	Total net asset value of the constituent funds

Constituent Funds

<u>Financial assets</u>	<u>Fair value as at</u>		<u>Fair value hierarchy</u>	<u>Valuation technique and key input</u>
	<u>31.3.2026</u> HK\$	<u>31.3.2025</u> HK\$		
Approved pooled investment fund	7,848,438,290	6,949,979,819	Level 1	Quoted bid prices in active markets
Certificates of deposit	319,350,561	268,388,053	Level 2	Quoted bid prices or dealer quotes for similar instruments
Treasury bills	106,906,190	139,767,768	Level 1	Quoted bid prices in active markets
Listed debt securities	15,135,320	7,403,796	Level 1	Quoted bid prices in active markets
Unlisted debt securities	62,433,602	41,947,533	Level 2	Quoted bid prices or dealer quotes for similar instruments
	<u>8,352,263,963</u>	<u>7,407,486,969</u>		

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Scheme

	<u>At 31 March 2026</u>			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at FVTPL				
Investments in constituent funds	-	8,692,890,492	-	8,692,890,492
	<u>-</u>	<u>8,692,890,492</u>	<u>-</u>	<u>8,692,890,492</u>
	<u>At 31 March 2025</u>			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at FVTPL				
Investments in constituent funds	-	7,742,913,079	-	7,742,913,079
	<u>-</u>	<u>7,742,913,079</u>	<u>-</u>	<u>7,742,913,079</u>

There were no transfers between Levels 1, 2 and 3 in the current year and prior years.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/statement of assets and liabilities - Constituent Funds - continued

Allianz Choice Stable Growth Fund

	At 31 March 2026			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>473,881,658</u>	<u>-</u>	<u>-</u>	<u>473,881,658</u>
	At 31 March 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>426,827,939</u>	<u>-</u>	<u>-</u>	<u>426,827,939</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Fidelity Balanced Fund

	At 31 March 2026			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>1,516,798,322</u>	<u>-</u>	<u>-</u>	<u>1,516,798,322</u>
	At 31 March 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>1,403,153,352</u>	<u>-</u>	<u>-</u>	<u>1,403,153,352</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Fidelity Stable Growth Fund

	At 31 March 2026			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>755,226,869</u>	<u>-</u>	<u>-</u>	<u>755,226,869</u>
	At 31 March 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>712,172,953</u>	<u>-</u>	<u>-</u>	<u>712,172,953</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Manulife Career Average Guaranteed Fund - SHKP

	At 31 March 2026			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>568,614,287</u>	<u>-</u>	<u>-</u>	<u>568,614,287</u>
	At 31 March 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>506,654,907</u>	<u>-</u>	<u>-</u>	<u>506,654,907</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Invesco MPF Conservative Fund

	At 31 March 2026			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>122,041,510</u>	<u>381,784,163</u>	<u>-</u>	<u>503,825,673</u>
	At 31 March 2025			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>147,171,564</u>	<u>310,335,586</u>	<u>-</u>	<u>457,507,150</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF Fund

	At 31 March 2026			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>1,758,413,762</u>	<u>-</u>	<u>-</u>	<u>1,758,413,762</u>
	At 31 March 2025			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>1,566,372,199</u>	<u>-</u>	<u>-</u>	<u>1,566,372,199</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Allianz Choice Balanced Fund

	At 31 March 2026			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>862,412,151</u>	<u>-</u>	<u>-</u>	<u>862,412,151</u>
	At 31 March 2025			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>730,939,304</u>	<u>-</u>	<u>-</u>	<u>730,939,304</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Invesco Global Stable Fund

	At 31 March 2026			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>614,361,104</u>	<u>-</u>	<u>-</u>	<u>614,361,104</u>
	At 31 March 2025			
	<u>Level 1</u> HK\$	<u>Level 2</u> HK\$	<u>Level 3</u> HK\$	<u>Total</u> HK\$
Financial assets at fair value through profit or loss	<u>576,977,258</u>	<u>-</u>	<u>-</u>	<u>576,977,258</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2026

8. FINANCIAL INSTRUMENTS - continued

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/ statement of assets and liabilities - Constituent Funds - continued

Schroder MPF Core Accumulation Fund

	At 31 March 2026			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>913,271,797</u>	<u>-</u>	<u>-</u>	<u>913,271,797</u>
	At 31 March 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>704,310,912</u>	<u>-</u>	<u>-</u>	<u>704,310,912</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

Schroder MPF Age 65 Plus Fund

	At 31 March 2026			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>385,458,340</u>	<u>-</u>	<u>-</u>	<u>385,458,340</u>
	At 31 March 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at fair value through profit or loss	<u>322,570,995</u>	<u>-</u>	<u>-</u>	<u>322,570,995</u>

There were no transfers between Levels 1, 2 and 3 in the current and prior years.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

9. RECONCILIATION OF ASSETS AND LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Contributions <u>receivable</u> HK\$	Benefits <u>payable</u> HK\$	Forfeitures <u>payable</u> HK\$	<u>Total</u> HK\$
At 1 April 2025	99,467,067	(113,040,364)	(4,347,129)	(17,920,426)
Financing cash flows	(1,240,016,593)	1,050,929,471	749,470	(188,337,652)
Contributions received and receivable	1,286,610,547	-	-	1,286,610,547
Benefits paid and payable	-	(1,185,496,598)	-	(1,185,496,598)
Forfeitures	-	-	(2,692,487)	(2,692,487)
At 31 March 2026	<u>146,061,021</u>	<u>(247,607,491)</u>	<u>(6,290,146)</u>	<u>(107,836,616)</u>
At 1 April 2024	96,548,015	(100,792,625)	(3,244,279)	(7,488,889)
Financing cash flows	(1,105,382,430)	970,035,637	1,074,646	(134,272,147)
Contributions received and receivable	1,108,301,482	-	-	1,108,301,482
Benefits paid and payable	-	(982,283,376)	-	(982,283,376)
Forfeitures	-	-	(2,177,496)	(2,177,496)
At 31 March 2025	<u>99,467,067</u>	<u>(113,040,364)</u>	<u>(4,347,129)</u>	<u>(17,920,426)</u>

10. TRANSACTIONS WITH ASSOCIATES

Except as disclosed in note 7 and below, the Scheme and the Constituent Funds did not have any transactions with associates and related parties including the Trustee and its associates or delegates during the year. All transactions were entered into in the ordinary course of business and on normal commercial terms.

- (a) The Constituent Funds did not have any transactions with associates of the investment manager of SHKP MPF Fund or any of its delegates during the year.
- (b) Management fee of 0.21% per annum on net asset value was charged by the investment manager, Invesco Hong Kong Limited, to Invesco MPF Conservative Fund during the year (2025: 0.21% per annum). Management fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. As there is no investment manager for all other Constituent Funds, no investment management fee is charged to these Constituent Funds.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

10. TRANSACTIONS WITH ASSOCIATES - continued

- (c) Trustee fee of 0.065% and 0.12% per annum on net asset value was charged by the Trustee to Manulife Career Average Guaranteed Fund - SHKP and all other Constituent Funds, respectively for both years, except for Invesco MPF Conservative Fund, SHKP MPF Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund.

Trustee fee of 0.16% per annum on net asset value was charged by the Trustee to Invesco MPF Conservative Fund during the year (2025: 0.16% per annum). Trustee fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. Trustee fee of 0.065% per annum on net asset value was charged by the Trustee to SHKP MPF Fund for both years.

Trustee fee of up to 0.28% per annum (2025: 0.28% per annum) on net asset value was charged by the Trustee to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund. Trustee fee of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund is inclusive of management fee of up to 0.11% per annum (2025: 0.11% per annum) (taking into account any fee rebate or waiver from the investment manager of the Underlying Fund) and a trustee fee of 0.05% per annum (2025: 0.05% per annum) respectively to the investment manager and the trustee of the Underlying Fund for providing investment management and trustee services.

The amounts of trustee fees charged to the respective Constituent Funds for the year are shown in the Revenue Statement - Constituent Funds.

At the end of the reporting period, the trustee fees payable were as follows:

		<u>2026</u>	<u>2025</u>
		HK\$	HK\$
1	Allianz Choice Stable Growth Fund	96,820	44,024
2	Fidelity Balanced Fund	313,141	145,699
3	Fidelity Stable Growth Fund	154,547	73,470
4	Manulife Career Average Guaranteed Fund - SHKP	60,416	28,028
5	Invesco MPF Conservative Fund	200,078	100,392
6	SHKP MPF Fund	194,868	87,865
7	Allianz Choice Balanced Fund	176,928	75,823
8	Invesco Global Stable Fund	124,441	59,228
9	Schroder MPF Core Accumulation Fund	533,000	166,450
10	Schroder MPF Age 65 Plus Fund	<u>221,900</u>	<u>75,728</u>

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

10. TRANSACTIONS WITH ASSOCIATES - continued

- (d) Administration fee of 0.28% per annum on net asset value was charged by the Administrator to all Constituent Funds until 1 October 2024. Administration fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. The Administrator will bear any administration fee which is not permitted to be paid out of Invesco MPF Conservative Fund. The amounts of administration fees charged to respective Constituent Funds for the year are shown in the Revenue Statement - Constituent Funds. eMPF Platform Fee of 0.24% per annum on net asset value was charged by the eMPF Platform Company Limited to all Constituent Funds start from 2 October 2024.

With effect from 2 October 2024, the eMPF Platform Company Limited (the "Platform Company") has taken up the administration of the Scheme and provides scheme administration services to handle instruction from employees and members directly through the eMPF Platform. Effective from 2 October 2024 fees to the Platform Company have been introduced for each constituent fund. The Platform Company is entitled to receive a fee at the following percentage per annum of the net asset value of the respective constituent funds. The eMPF Platform Fee payable at the year end date was as follows:

		<u>2026</u>	
		<u>Fee rate</u>	<u>HK\$</u>
1	Allianz Choice Stable Growth Fund	0.24%	190,408
2	Fidelity Balanced Fund	0.24%	615,860
3	Fidelity Stable Growth Fund	0.24%	303,936
4	Manulife Career Average Guaranteed Fund - SHKP	0.24%	219,424
5	Invesco MPF Conservative Fund	0.24%	300,116
6	SHKP MPF Fund	0.24%	707,323
7	Allianz Choice Balanced Fund	0.24%	347,959
8	Invesco Global Stable Fund	0.24%	244,729
9	Schroder MPF Core Accumulation Fund	0.24%	359,370
10	Schroder MPF Age 65 Plus Fund	0.24%	149,870

- (e) Accounting fee totalling HK\$195,000 (2025: HK\$194,950) was charged by the Trustee to the Constituent Funds on an equally allocated basis, except for Invesco MPF Conservative Fund which was charged at HK\$24,375 in 2026 (2025: HK\$24,325) and Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund which were not charged with any fee in 2026 (2025: HK\$Nil). Accounting fee will only be payable out of Invesco MPF Conservative Fund to the extent permitted by the MPF Ordinance. The Administrator will bear any accounting fee which is not permitted to be paid out of Invesco MPF Conservative Fund.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

10. TRANSACTIONS WITH ASSOCIATES - continued

- (f) As at 31 March 2026, the Scheme and the Constituent Funds placed bank balances amounting to HK\$33,804,197 and HK\$63,391,916 respectively (2025: HK\$24,978,249 and HK\$97,374,192 respectively) and carrying interest at prevailing market rates with Standard Chartered Bank (Hong Kong) Limited. Interest income of HK\$3,266 and HK\$254,624 (2025: HK\$3,873 and HK\$505,061) have been earned by the Scheme and the Constituent Funds with Standard Chartered Bank (Hong Kong) Limited respectively.

Standard Chartered Bank (Hong Kong) Limited is the holding company of the Trustee.

The related bank balances with Standard Chartered Bank (Hong Kong) Limited for each Constituent Fund as at reporting date were as follows:

		<u>2026</u>	<u>2025</u>
		HK\$	HK\$
1	Allianz Choice Stable Growth Fund	2,773,055	2,881,112
2	Fidelity Balanced Fund	6,388,627	6,798,942
3	Fidelity Stable Growth Fund	3,586,096	3,426,029
4	Manulife Career Average Guaranteed Fund - SHKP	3,737,199	5,484,999
5	Invesco MPF Conservative Fund	19,005,634	51,980,796
6	SHKP MPF Fund	11,094,125	11,167,863
7	Allianz Choice Balanced Fund	4,777,531	3,967,596
8	Invesco Global Stable Fund	3,871,863	2,708,017
9	Schroder MPF Core Accumulation Fund	5,070,969	5,197,905
10	Schroder MPF Age 65 Plus Fund	<u>3,086,817</u>	<u>3,760,933</u>

11. PAYMENTS CHARGED TO DEFAULT INVESTMENT STRATEGY CONSTITUENT FUNDS

In accordance with the Mandatory Provident Fund legislation (the "MPF legislation"), the aggregate of the payments for services of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund must not, in a single day, exceed a daily rate of 0.75% per annum of the net asset value of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund divided by the number of days in the year respectively.

The above aggregate of the payments for services includes, but is not limited to, the fees paid or payable for the services provided by the Trustee, the Administrator, the Investment Manager, the Custodian and the Sponsor and/or promoter of the Scheme and the underlying investment funds of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund, and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund and their underlying investment funds, but does not include any out-of-pocket expenses incurred by Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund and their underlying investment funds.

In accordance with the MPF legislation, the total amount of all payments that are charged to or imposed on Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund or members who invest in Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund, for out-of-pocket expenses incurred by the Trustee on a recurrent basis in the discharge of the Trustee's duties to provide services in relation to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund, shall not in a single year exceed 0.2% per annum of the net asset value of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

11. PAYMENTS CHARGED TO DEFAULT INVESTMENT STRATEGY CONSTITUENT FUNDS - continued

For this purpose, out-of-pocket expenses include, for example, annual audit expenses, printing or postage expenses relating to recurrent activities (such as issuing annual benefit statements), recurrent legal and professional expenses, safe custody charges which are customarily not calculated as a percentage of the net asset value and transaction costs incurred by Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund in connection with recurrent acquisition of investments for Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund (including, for example, costs incurred in acquiring Underlying Funds) and annual statutory expenses (such as compensation fund levy where relevant) of Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund. Out-of-pocket expenses that are not incurred on a recurrent basis may still be charged to or imposed on Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund or members who invests in Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund and such out-of-pocket expenses are not subject to the above statutory limit.

For the year ended 31 March 2026

	Schroder MPF Core Accumulation Fund HK\$	Schroder MPF Age 65 Plus Fund HK\$
<u>Payments for services</u>		
eMPF Platform Fee	1,986,601	853,230
Trustee fee	2,276,313	977,660
	<u>4,262,914</u>	<u>1,830,890</u>
 Payments for services expressed as a daily percentage of net asset value	 <u>0.51%</u>	 <u>0.52%</u>
 Proportionate underlying investment fund fees rate	 <u>-</u>	 <u>-</u>
Aggregate percentage of payments for services	<u>0.51%</u>	<u>0.52%</u>
 <u>Out-of-pocket expenses</u>		
Auditor's remuneration	35,326	10,502
Miscellaneous expenses	3,694	3,694
MPF indemnity insurance	88,458	39,292
Publishing fee	10,600	10,600
Printing and postage fee	50,185	50,186
Registration fee	220	220
Bank charges	415	415
	<u>188,898</u>	<u>114,909</u>
 Out-of-pocket expenses expressed as a daily percentage of net asset value	 <u>0.02%</u>	 <u>0.03%</u>

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

11. PAYMENTS CHARGED TO DEFAULT INVESTMENT STRATEGY CONSTITUENT FUNDS - continued

For the year ended 31 March 2025

	Schroder MPF Core Accumulation <u>Fund</u> HK\$	Schroder MPF Age 65 <u>Plus Fund</u> HK\$
<u>Payments for services</u>		
Administration fee	875,737	402,126
eMPF Platform fee	822,548	371,614
Trustee fee	1,677,497	763,306
	<u>3,375,782</u>	<u>1,537,046</u>
Payments for services expressed as a daily percentage of net asset value	<u>0.51%</u>	<u>0.51%</u>
Proportionate underlying investment fund fees rate	-	-
Aggregate percentage of payments for services	<u>0.51%</u>	<u>0.51%</u>
<u>Out-of-pocket expenses</u>		
Auditor's remuneration	44,372	21,275
Miscellaneous expenses	4,560	4,560
MPF indemnity insurance	78,861	38,694
Publishing fee	9,539	9,673
Printing and postage fee	50,002	50,002
Registration fee	220	220
Set up expenses	92,663	92,663
Legal and professional fee	31,694	15,196
Bank charges	430	430
	<u>312,341</u>	<u>232,713</u>
Out-of-pocket expenses expressed as a percentage of net asset value of net asset value	<u>0.05%</u>	<u>0.08%</u>

12. CONTRIBUTIONS

Mandatory contributions for both the employers and members are equal to 5% of the employees' relevant income up to HK\$30,000 per month but in respect of members earning less than HK\$7,100 per month, the members' mandatory contribution is nil.

Any contributions made to the Scheme by the employers or members in excess of their mandatory contributions are additional voluntary contributions.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

13. BENEFITS

Members will become entitled to benefits in respect of mandatory contributions to the Scheme in the circumstances set out in the Ordinance. Currently, these circumstances include where the members (i) reach the age of 65; (ii) permanently cease employment, after reaching the age of 60 or as a result of permanent incapacity; (iii) permanently departure from Hong Kong; (iv) die; (v) have the right to claim a small balance pursuant to the Ordinance or (vi) has terminal illness.

Members will become entitled to benefits in respect of non-tax deductible voluntary contributions to the Scheme in circumstances set out in the Trust Deed and the relevant participation agreement.

14. BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

The Scheme and its Constituent Funds had no bank loans, overdrafts or borrowings as at 31 March 2026 and 2025.

15. ACCRUED VESTED BENEFITS

The total accrued benefits vested in the members' accounts amounted to HK\$8,656,509,073 as at 31 March 2026 (2025: HK\$7,712,158,634).

16. SOFT COMMISSION ARRANGEMENTS

There are no soft commission arrangements relating to dealings in the property of the Constituent Funds during the year.

17. SECURITY LENDING ARRANGEMENTS

During the years ended 31 March 2026 and 2025, the Scheme and its Constituent Funds did not enter into any security lending arrangements.

18. NEGOTIABILITY OF ASSETS

At 31 March 2026 and 2025, there were no statutory or contractual requirements restricting the negotiability of assets of the Scheme and the Constituent Funds.

19. COMMITMENTS

The Scheme and the Constituent Funds had no commitments as at 31 March 2026 and 2025.

20. CONTINGENT LIABILITIES

The Scheme and the Constituent Funds had no contingent liabilities as at 31 March 2026 and 2025.

SHKP MPF EMPLOYER SPONSORED SCHEME

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2026

21. MARKETING EXPENSES

There have been no advertising expenses, promotional expenses or commissions or brokerage fees paid and payable to the MPF intermediaries deducted from the Scheme or the Constituent Funds during the years ended 31 March 2026 and 2025.

22. FUND EXPENSE RATIO

For the year ended 31 March 2026, the Constituent Funds incurred no transaction costs.

Pursuant to section 19Y and section 19Z of the MPFSO, the Trustee has determined the fund expense ratio and permitted percentage, respectively, for each constituent fund in accordance with Schedule 13 to the MPFSO for the financial year from 1 April 2025 to 31 March 2026, as set out in the below table.

The following table summarises the fund expenses ratio ("FER") of the Constituent Funds for the corresponding period:

		Permitted percentage	Annualised FER For the year from 1 April 2025 to 31 March 2026	Annualised FER For the period from 2 January 2025 (material day) to 31 March 2025
1	Allianz Choice Stable Growth Fund	0.93381%	0.91335%	0.99145%
2	Fidelity Balanced Fund	0.94203%	0.86730%	0.89022%
3	Fidelity Stable Growth Fund	0.94533%	0.88519%	0.89785%
4	Manulife Career Average Guaranteed Fund - SHKP	2.22260%	2.14749%	2.26645%
5	Invesco MPF Conservative Fund	N/A	0.65110%	0.66245%
6	SHKP MPF Fund	0.65005%	0.66544%	0.65993%
7	Allianz Choice Balanced Fund	0.92882%	0.90406%	0.98860%
8	Invesco Global Stable Fund	0.80703%	0.81218%	0.83275%
9	Schroder MPF Core Accumulation Fund	0.58382%	0.55794%	0.57753%
10	Schroder MPF Age 65 Plus Fund	0.58294%	0.56189%	0.60382%

UNAUDITED INVESTMENT REPORT
FOR THE YEAR ENDED 31 MARCH 2026

This unaudited Investment Report provides an analysis of the investments of SHKP MPF Employer Sponsored Scheme (the "Scheme") and its constituent funds and the movements in net asset value and performance of the constituent funds. Except for Invesco MPF Conservative Fund which is a direct investment fund, each constituent fund is a feeder fund investing in a single and separate underlying approved pooled investment fund.

The investment objective and policy of each constituent fund are summarised below:

1. Allianz Choice Stable Growth Fund

The Fund aims to achieve a stable overall return over the long term by investing in a diversified portfolio of global equities and fixed-interest securities. The Fund will invest in an Approved Pooled Investment Fund, Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund ("Underlying Fund"), managed by Allianz Global Investors Asia Pacific Limited ("Manager"). Investment will include a diversified portfolio of global equities and fixed-interest securities. It is expected that the Underlying Fund will invest 50% of its assets in equities and 50% in fixed-interest securities. The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Underlying Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion, being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Underlying Fund may be invested in China A-Shares, in which the Underlying Fund may invest less than 30% of its equity portion. For the avoidance of doubt, the limit of the Underlying Fund's investment in China A-Shares is calculated based on the Underlying Fund's equity portion (instead of the Underlying Fund's net asset value).

The Underlying Fund, a sub-fund of Allianz Global Investors Choice Fund, is a fund of funds investing substantially all its assets in (i) other sub-funds of the Allianz Global Investors Choice Fund ("Other APIFs") and/or (ii) Approved Index-Tracking Funds ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for the Underlying Fund based on its investment objective and policy. All Other APIFs are approved as Approved Pooled Investment Funds by the Authority and authorized by the Commission and all Underlying ITCIS are approved by the Authority. The Underlying Fund may invest at least 40% and up to 60% of its assets in global equities (out of which less than 30% of such equity portion of the Underlying Fund may be invested in China A-Shares) and at least 40% and up to 60% of its assets in fixed interest securities via the Other APIFs and/or Underlying ITCIS. The Underlying Fund will invest in 5 or more Other APIFs and/or Underlying ITCIS.

It is expected that the Underlying Fund will invest 70% to 100% of its net asset value in the Other APIFs and not more than 30% of its net asset value in the Underlying ITCIS.

2. Fidelity Balanced Fund

The objective of this Fund is to build capital value over the long term. The Fund will invest in an Approved Pooled Investment Fund, Fidelity Global Investment Fund - Balanced Fund ("Underlying Fund"), managed by FIL Investment Management (Hong Kong) Limited. The Underlying Fund (which is a fund of funds) normally invests 70% of its net asset value in global equities and 30% of its net asset value in global bonds and cash, although actual portfolios may vary as market and other conditions change.

The Underlying Fund will have a broad geographic scope with a bias towards Hong Kong.

3. Fidelity Stable Growth Fund

The objective of this Fund is to generate a positive return over the long term. The Fund will invest in an Approved Pooled Investment Fund, Fidelity Global Investment Fund - Stable Growth Fund ("Underlying Fund"), managed by FIL Investment Management (Hong Kong) Limited. The Underlying Fund (which is a fund of funds) will normally allocate 50% of its net asset value to global equities, 50% to global bonds and cash, although actual portfolios may vary as market and other conditions change.

4. Manulife Career Average Guaranteed Fund - SHKP

The Fund seeks to achieve long term capital growth while also providing a minimum guaranteed career average return through investment in an Approved Pooled Investment Fund, Manulife Career Average Guaranteed Fund ("Underlying Fund"), guaranteed by the Guarantor and managed by Manulife Investment Management (Hong Kong) Limited ("Manager").

The portfolio of the Underlying Fund will include global debt securities and may also include equity securities denominated in Hong Kong dollars or other currencies.

The Underlying Fund will invest predominantly in global debt securities to seek to ensure that the guaranteed return can be achieved. Initially the portfolio will be predominantly weighted (up to 100%) towards debt securities but the weighting of debt securities may reduce whilst investment in global equities may increase to up to 20% over time. Based on the Manager's view that the guaranteed return is achievable, the Underlying Fund will invest in global equities with a view to enhancing the actual return.

The Underlying Fund may invest in the above mentioned securities directly or through Approved Index-Tracking Funds.

5. Invesco MPF Conservative Fund

The Fund is managed by Invesco Hong Kong Limited. The investment objective of the Fund is to preserve capital with minimal risk.* The Fund will invest in HK dollar deposits, HK dollar denominated money market instruments as well as short-dated fixed interest securities. It will invest in a manner consistent with those set out in Section 37 of the Mandatory Provident Fund Schemes (General) Regulation (the "MPF Regulation").

* It is not a guaranteed fund.

The portfolio of the Fund will include cash deposits, certificates of deposit, government and corporate Hong Kong debt securities. The portfolio of the fund will have an average maturity of not more than 90 days.

The Fund will maintain an "effective currency exposure" to HK dollars (as defined in the MPF Regulation) of 100%.

6. SHKP MPF Fund

The Fund seeks to achieve medium capital growth with medium volatility. The long-term return objective is to exceed Hong Kong inflation. The Fund will invest in an Approved Pooled Investment Fund, SHKP Nexus Fund - SHKP MPF Fund ("Underlying Fund"), managed by Nexus Investment Management Limited. The underlying fund will normally invest 27%-67% in equities and equity related investments and the remainder in deposits, debt securities and other investments permitted under the Mandatory Provident Fund Schemes (General) Regulation.

The Underlying Fund is globally diversified but is biased towards Hong Kong.

7. Allianz Choice Balanced Fund

The Fund seeks to achieve a high level (above market) of overall return over the long term by investing in a diversified portfolio of global equities and fixed interest securities. The Fund will invest in an Approved Pooled Investment Fund, Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund ("Underlying Fund"), managed by Allianz Global Investors Asia Pacific Limited ("Manager"). Investment will include a diversified portfolio of global equities and fixed-interest securities. It is expected that 70% of its assets of the Underlying Fund will be invested in equities and 30% in fixed-interest securities.

The fixed income portion will consist of a range of instruments issued in countries around the world. The equity portion of the Underlying Fund will be invested primarily in the Hong Kong, Japan, North American and European markets with a smaller proportion, being invested, at the discretion of the Manager, in other Asian countries and emerging markets. Such smaller proportion of the equity portion of the Underlying Fund may be invested in China A-Shares, in which the Underlying Fund may invest less than 30% of its equity portion. For the avoidance of doubt, the limit of the Underlying Fund's investment in China A-Shares is calculated based on the Underlying Fund's equity portion (instead of the Underlying Fund's net asset value).

The Underlying Fund, a sub-fund of Allianz Global Investors Choice Fund, is a fund of funds investing substantially all its assets in (i) other sub-funds of the Allianz Global Investors Choice Fund ("Other APIFs") and/or (ii) Approved Index-Tracking Funds ("Underlying ITCIS") as determined by the Manager from time to time to be appropriate to provide the desired investment exposure for the Underlying Fund based on its investment objective and policy. All Other APIFs are approved as approved pooled investment funds by the Authority and authorized by the Commission and all Underlying ITCIS are approved by the Authority. The Underlying Fund may invest at least 60% and up to 80% of its assets in global equities (out of which less than 30% of such equity portion of the Underlying Fund may be invested in China A-Shares) and at least 20% and up to 40% of its assets in fixed interest securities via the Other APIFs and/or Underlying ITCIS. The Underlying Fund will invest in 5 or more Other APIFs and/or Underlying ITCIS.

It is expected that the Underlying Fund will invest 70% to 100% of its net asset value in the Other APIFs and not more than 30% of its net asset value in the Underlying ITCIS.

8. Invesco Global Stable Fund

The Fund seeks to achieve capital preservation over the long term whilst seeking to enhance return through limited exposure of global equities. The Fund will invest in an approved pooled investment fund, Invesco Pooled Investment Fund - Global Stable Fund, the underlying fund managed by Invesco Hong Kong Limited. The underlying fund which is a fund of funds seeks to provide investors with a stable return by investing mainly in global bonds with some additional growth potential through exposure to global equities. The underlying fund will normally invest 70% of its net asset value in global bonds and 30% of its net asset value in global equities.

9. Schroder MPF Core Accumulation Fund

The investment objective of the Fund is to achieve capital growth by investing in a globally diversified manner. The Fund shall invest in an Approved Pooled Investment Fund named Schroder MPF Core 60/40 Fund ("Underlying Fund"). The Underlying Fund is a fund of funds which invests in two Approved Pooled Investment Funds managed by Schroder Investment Management (Hong Kong) Limited as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The Underlying Fund invests into two Approved Pooled Investment Funds will be actively managed with reference to the constituent index for equity securities and the constituent index for fixed income securities (each a "Constituent Index") under the Reference Portfolio respectively. The two underlying Approved Pooled Investment Funds adopt an investment strategy which selects securities based on certain characteristics such as (in the case of equity securities) attractive valuation, high quality, and low return volatility, and (in the case of fixed income securities) maturity, credit rating and liquidity, to build a diversified portfolio of equity securities and a diversified portfolio of fixed income securities, respectively. Up to 10% of the net asset value of the underlying Approved Pooled Investment Funds may be invested in securities other than the underlying securities of the respective Constituent Index with the aim to enhance returns or reduce portfolio risks when compared to similar underlying securities of the respective Constituent Index.

10. Schroder MPF Age 65 Plus Fund

The investment objective of the Fund is to achieve stable growth by investing in a globally diversified manner. The fund shall invest in an Approved Pooled Investment Fund named Schroder MPF Core 20/80 Fund (the "Underlying Fund"). The Underlying Fund is a fund of funds which invests in two Approved Pooled Investment Funds managed by Schroder Investment Management (Hong Kong) Limited as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The Underlying Fund invests into two Approved Pooled Investment Funds will be actively managed with reference to the constituent index for equity securities and the constituent index for fixed income securities (each a "Constituent Index") under the Reference Portfolio respectively. The two underlying Approved Pooled Investment Funds adopt an investment strategy which selects securities based on certain characteristics such as (in the case of equity securities) attractive valuation, high quality, and low return volatility, and (in the case of fixed income securities) maturity, credit rating and liquidity, to build a diversified portfolio of equity securities and a diversified portfolio of fixed income securities, respectively. Up to 10% of the net asset value of the underlying Approved Pooled Investment Funds may be invested in securities other than the underlying securities of the respective Constituent Index with the aim to enhance returns or reduce portfolio risks when compared to similar underlying securities of the respective Constituent Index.

The Trustee's commentary on analysis of the investments held by the Scheme and supporting information of its commentary are summarised below:

Trustee's commentary

1. Allianz Choice Stable Growth Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Allianz Choice Stable Growth Fund (launch date: 1 December 2000)	11.82	1.48	4.27	4.31
Performance Target Willis Towers Watson Median (Equity Content 40%-60%)	11.1	0.8	3.6	N/A
Deviation from the performance target (Median)	0.72	0.68	0.67	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 40%-60%)	12.3	2.5	4.9	N/A
Deviation from the performance target (Benchmark)	-0.48	-1.02	-0.63	N/A

The fund has outperformed the Performance Target (Median) over 1, 5 and 10 years.

The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

Global equities experienced notable volatility in Q2 2025, as investor sentiment was influenced by President Trump's tariff policies. Markets declined sharply following the 'Liberation Day' announcement but subsequently recovered as most tariffs were delayed. In June, escalating tensions in the Middle East also weighed on sentiment, with Israeli strikes on Iran driving oil prices higher. In the second half of 2025, global equities delivered strong double-digit gains. Japan led performance, supported by a surge in equities during the honeymoon rally after Sanae Takaichi became the country's first female prime minister. The UK and US followed, while European markets lagged relative to peers. Emerging markets significantly outperformed developed markets, with strong gains in South Korea, Taiwan, and South Africa more than offsetting underperformance in China, a key index heavyweight. Q1 2026 proved to be a turbulent period for global equities. Markets initially advanced, supported by energy and defence sectors, but later declined as tensions escalated in the US-Israel conflict with Iran. A blockade of the Strait of Hormuz pushed oil and gas prices higher, adding to inflation and recession concerns, although losses were partially recovered by the end of the quarter. Over the one-year period to 31 March 2026, global bond yields increased. Japanese government bonds sold off sharply, with the 10-year yield reaching its highest level since 1999. US Treasury yields declined steadily through mid-2025 amid expectations of Federal Reserve rate cuts, before reversing sharply higher into early 2026. This move was primarily driven by rising fiscal deficits, tariff-related inflation concerns, geopolitical tensions, and shifting expectations for Federal Reserve policy.

The fund outperformed its benchmark during the period on a gross of fee basis. Equity investments have been the key contributor, mainly driven by the stock selection in onshore China market as well as overweight position in South Korea and Taiwan equities. On the other hand, stock selection in Japanese equities has detracted. Overall fixed income investments have outperformed the benchmark, mainly driven by the underweight position in Euro government bonds and investments in US bonds.

Trustee's commentary - continued

2. Fidelity Balanced Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Fidelity Balanced Fund (launch date: 1 December 2000)	11.99	0.93	4.93	4.99
Performance Target Willis Towers Watson Median (Equity Content 60%-80%)	19.9	2.6	5.1	N/A
Deviation from the performance target (Median)	-7.91	-1.67	-0.17	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 60%-80%)	16	4.1	6.8	N/A
Deviation from the performance target (Benchmark)	-4.01	-3.17	-1.87	N/A

The fund has underperformed the Performance Target (Median) over 1, 5 and 10 years.

The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

The fund generated positive returns over the year, mostly due to its exposure to equities and selected credit holdings. Asian equities led gains driven by supportive policy measures and favourable AI developments, particularly early in the review period. US, Japanese and Hong Kong/China equities enhanced gains during the period. Holdings in gold and timely initiated global energy exposure also supported returns. Meanwhile, the tilt to high-quality global bonds and investment-grade corporate bonds added positive value. The manager trimmed the overall equity and fixed income allocation and rotated the proceeds into cash towards the end of the review period that protected the portfolio from downside amid the Iran conflict. Overall, the fund retained a structural tilt towards Hong Kong/ China equities on the back of a supportive policy backdrop.

The fund underperformed its benchmark during the period. The fund's overweight positions in Hong Kong and Chinese equities, and higher weight in Asia Pacific equities fared well on performance. Security selection with Hong Kong equities detracted from performance as exposure to Chinese technology, consumer and internet related companies lagged. Selected software holdings with European equities also weighed on performance as investors concerned the competitive implications of AI adoption may reshape demand dynamics.

Trustee's commentary - continued

3. Fidelity Stable Growth Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Fidelity Stable Growth Fund (launch date: 1 December 2000)	9.4	0.05	3.6	4.38
Performance Target Willis Towers Watson Median (Equity Content 40%-60%)	11.1	0.8	3.6	N/A
Deviation from the performance target (Median)	-1.7	-0.75	0	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 40%-60%)	12.3	2.5	4.9	N/A
Deviation from the performance target (Benchmark)	-2.9	-2.45	-1.3	N/A

The fund has underperformed the Performance Target (Median) over 1 and 5 years, yet matched it over 10 years.

The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

The fund generated positive returns over the year, mostly due to its exposure to equities and selected credit holdings. Asian equities led gains driven by supportive policy measures and favourable AI developments, particularly early in the review period. US, Japanese and Hong Kong/China equities enhanced gains during the period. Holdings in gold and timely initiated global energy exposure also supported returns. Meanwhile, the tilt to high-quality global bonds and investment-grade corporate bonds added positive value. The manager trimmed the overall equity and fixed income allocation and rotated the proceeds into cash towards the end of the review period that protected the portfolio from downside amid the Iran conflict. Overall, the fund retained a structural tilt towards Hong Kong/ China equities on the back of a supportive policy backdrop.

The fund underperformed its benchmark during the period. The fund's overweight positions in Hong Kong and Chinese equities, and higher weight in Asia Pacific equities fared well on performance. Security selection with Hong Kong equities detracted from performance as exposure to Chinese technology, consumer and internet related companies lagged. Selected software holdings with European equities also weighed on performance as investors concerned the competitive implications of AI adoption may reshape demand dynamics.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

Trustee's commentary - continued

4. Manulife Career Average Guaranteed Fund - SHKP

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Manulife Career Average Guaranteed Fund - SHKP (launch date: 1 December 2000)	4.46	-0.23	0.89	1.04
Performance Target Willis Towers Watson Median (Guaranteed Fund)	4.3	0.1	0.4	N/A
Deviation from the performance target (Median)	0.16	-0.33	0.49	N/A
Performance Target Willis Towers Watson Benchmark (Guaranteed Fund)	N/A	N/A	N/A	N/A
Deviation from the performance target (Benchmark)	N/A	N/A	N/A	N/A

The fund has outperformed the Performance Target (Median) over 1 and 10 years, yet underperformed over 5 years.

In the US, Treasury yields were volatile over the period, given trade policies uncertainty with the US administration and geopolitical tensions towards the end of the period. Rising tensions in the Middle East and the associated disruption risks to energy supply (around key shipping routes and production hubs) resulted in a sharp rise in oil prices, increasing volatility across risk assets while also weighing on sentiment more broadly through concerns around potentially tighter financial conditions, inflation resurgence, and slower global growth if elevated energy prices persisted. During the March Federal Open Market Committee (FOMC) meeting, the Committee acknowledged that the implications of developments in the Middle East for the US economy were uncertain. US Federal Reserve (Fed) Chair Jerome Powell put the risks to employment and inflation on an equal footing and mentioned that a "moderately restrictive" policy stance was currently appropriate. Regarding the US Fed's dual mandate, February nonfarm payrolls surprised to the downside at -92,000 (vs. +55,000 estimates), while core personal consumption expenditures (PCE), the US Fed's preferred inflation metric, came in line with estimates at +3.1% year-on-year (YoY).

Over the period, the 10-year Treasury yield declined from 4.21% as of March 2025 to a low of 3.94% in February 2026 before finishing the period higher at 4.32%. Hong Kong interest rates moved lower over the period. The 10-year Hong Kong government bond yield ended at 2.84% from 3.51% at the beginning of the period.

HKD funding remains flush; rates remained in a tight range and notably performed amid global stagflation shocks. The 10-year Treasury yield bear or twist flattened on headlines around the US-Iran talks, which may ease oil shocks. The market is now re-pricing in the US Fed to hold in 2026. HKD spot rate was at 7.8350 against the US dollar within the 7.75-7.85 peg amid widening carry. HKD liquidity settled around the 2.00-2.50% area. The Hong Kong Monetary Authority (HKMA) made no further interventions with Hong Kong's aggregate balance stable at HKD54 billion at the end of March. We expect 3-month HKD rates to settle towards 50-100 basis points (bps) below US rates as the oil shock could constraint the US Fed from easing. We believe HKD rates and cash bonds are likely to maintain low volatility, even as geopolitical and macro uncertainties rise.

Trustee's commentary - continued

5. Invesco MPF Conservative Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Invesco MPF Conservative Fund (launch date: 1 December 2000)	2.02	2.11	1.36	0.94
Performance Target Willis Towers Watson Median (MPF Conservative Fund)	1.95	1.93	1.21	N/A
Deviation from the performance target (Median)	0.07	0.18	0.15	N/A
Performance Target Willis Towers Watson Benchmark (MPF Conservative Fund)	0.13	0.36	0.19	N/A
Deviation from the performance target (Benchmark)	1.89	1.75	1.17	N/A

The fund has outperformed the Performance Target (Median) over 1, 5 and 10 years.

The fund has outperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

Over the past few quarters, global markets transitioned from expectations of monetary easing toward a more cautious higher-for-longer interest rate environment. While the Federal Reserve initially began easing policy in response to signs of labour market softening, persistent inflation and subsequent energy-related geopolitical risks led policymakers to adopt a more measured stance, reducing expectations for additional near-term rate cuts. The period was marked by episodes of market volatility driven by inflation concerns, trade uncertainty and heightened tensions from geopolitical risks, which contributed to fluctuations in global bond yields and risk sentiment. Despite these challenges, global economic growth remained broadly resilient and recession risks generally receded.

In Hong Kong, money market conditions remained relatively stable throughout the period. Short-term HKD yields stayed at attractive levels, supported by ample banking system liquidity and steady funding conditions under the Linked Exchange Rate System. Although HIBOR experienced periodic fluctuations, HKD funding costs generally remained well behaved compared with broader global market volatility. Against this backdrop, HKD money market strategies continued to benefit from favorable carry opportunities while maintaining a strong focus on liquidity preservation and capital stability. Overall, the environment remained supportive for conservative investors seeking stable income and lower portfolio volatility.

The fund continued to focus on short-dated money market instruments to capture attractive front-end yields while maintaining liquidity and capital stability. Despite expectations for monetary easing being pushed back amid persistent inflation and geopolitical uncertainty, HKD funding conditions remained broadly stable, supported by ample banking system liquidity. Portfolio WAM was increased modestly to enhance carry during the past few quarters. Meanwhile, we maintained a disciplined approach to portfolio construction, to seek relative value opportunities across time deposits, certificates of deposit and Treasury bills and to enhance the overall portfolio return.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

Trustee's commentary - continued

6. SHKP MPF Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
SHKP MPF Fund (launch date: 2 July 2002)	10.48	-0.81	6.9	6.32
Performance Target Willis Towers Watson Median (Equity Content 40%-60%)	11.1	0.8	3.6	N/A
Deviation from the performance target (Median)	-0.62	-1.61	3.3	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 40%-60%)	12.3	2.5	4.9	N/A
Deviation from the performance target (Benchmark)	-1.82	-3.31	2	N/A

The fund has outperformed the Performance Target (Median) over 10 years, yet underperformed over 1 and 5 years.

The fund has outperformed the Performance Target (Benchmark) over 10 years, yet underperformed over 1 and 5 years.

The Manager maintained a neutral to slight overweight position in equities while overweighting Hong Kong and the U.S. market.

The biggest contribution came from our heavy weighting in a mega-cap technology stock. The fund's equity return was dragged down by overweighting in Hong Kong and underweighting in Japan and Europe.

On the bond side, the fund enjoyed outperformance from shorter duration as the yield curve steepened during the period.

Overall, the fund underperformed by a narrow margin.

Trustee's commentary - continued

7. Allianz Choice Balanced Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Allianz Choice Balanced Fund (launch date: 19 March 2010)	15.61	2.82	5.94	4.55
Performance Target Willis Towers Watson Median (Equity Content 60%-80%)	19.9	2.6	5.1	N/A
Deviation from the performance target (Median)	-4.29	0.22	0.84	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 60%-80%)	16	4.1	6.8	N/A
Deviation from the performance target (Benchmark)	-0.39	-1.28	-0.86	N/A

The fund has outperformed the Performance Target (Median) over 5 and 10 years, yet underperformed over 1 year.

The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

Global equities were volatile in Q2 2025 as investor sentiment was affected by President Trump's tariff policies. Markets fell sharply following the 'Liberation Day' announcement but later recovered as most tariffs were postponed. In June, renewed Middle East tensions weighed on markets, with Israeli strikes on Iran pushing oil prices higher. Global equities posted robust double-digit gains in the second half of 2025. Japan rose the most, with stocks soaring in the honeymoon rally after Sanae Takaichi became the country's first female prime minister. The UK and US came next, with European stocks finishing some way behind. Emerging markets significantly outperformed their developed market peers, with shares in South Korea, Taiwan and South Africa rising significantly over the period and more than offsetting underperformance from index heavyweight China. Q1 2026 was a turbulent period. Markets initially rose supported by energy and defence names but later declined as the US-Israel conflict with Iran escalated. A blockade of the Strait of Hormuz drove oil and gas prices higher, increasing inflation and recession concerns, although losses were partially recovered by quarter-end. Global bond yields rose during the 1-year period as of 31 March 2026. Japanese government bonds sold off sharply, with the 10-year yield hit its highest level since 1999. US Treasury yields fell steadily through mid-2025 as markets anticipated Fed rate cuts, then reversed sharply higher into early 2026. Rising fiscal deficits, tariff-related inflation fears, geopolitical tensions, and shifting Fed policy expectations were the primary drivers.

The fund outperformed its benchmark during the period on a gross basis. Equity investments have been the key contributor, mainly driven by the stock selection in onshore China market as well as overweight position in South Korea and Taiwan equities. On the other hand, stock selection in Japanese equities has detracted. Overall fixed income investments have slightly outperformed, mainly driven by the underweight position in Euro government bonds and investments in US bonds.

Trustee's commentary - continued8. Invesco Global Stable Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Invesco Global Stable Fund (launch date: 4 March 2015)	8.28	0.6	2.76	2.42
Performance Target Willis Towers Watson Median (Equity Content 20%-40%)	7.6	-0.2	2	N/A
Deviation from the performance target (Median)	0.68	0.8	0.76	N/A
Performance Target Willis Towers Watson Benchmark (Equity Content 20%-40%)	8.6	0.9	3.1	N/A
Deviation from the performance target (Benchmark)	-0.32	-0.3	-0.34	N/A

The fund has outperformed the Performance Target (Median) over 1, 5 and 10 years.

The fund has underperformed the Performance Target (Benchmark) over 1, 5 and 10 years.

Global equity markets staged a sharp rally over the 12 months review period, as markets digested the impact of higher tariff and in anticipation of easing measures by the FED. Developed market equities posted mixed results, with US lagging the other regions mildly, a 'de-dollarization' theme emerged prompting global investors to rotate from US equities to other regions for diversification.

US equities delivered resilient returns but with rising volatility. Strong earnings, led by technology and AI, supported markets through 2025. Early 2026 saw pressure from higher energy prices and bond yields amid geopolitical tensions, narrowing leadership but leaving fundamentals broadly intact.

European equities improved from earlier weakness as easing inflation allowed more supportive policy. Energy shocks weighed on sentiment, but fiscal support and improving earnings visibility helped stabilise markets. Attractive relative valuations and gradual recovery positioned Europe as a diversification opportunity by period end.

Japanese equities benefitted from sustained corporate governance reform, rising shareholder returns, and improving profitability. Inflation and wage growth supported domestic demand, while reform momentum attracted foreign capital. Japan showed relative resilience during global volatility, driven by structural rather than cyclical factors.

Hong Kong and China equities moved toward stabilisation as targeted policy support eased downside risks. Improved liquidity, strong southbound flows, and recovering IPO activity helped sentiment. Valuations remained low but began to stabilise as earnings expectations and policy clarity gradually improved.

Asia region (ex Japan, Hong Kong and China): Asian equity markets (ex HK & China) saw uneven performance amid dominance from North Asia - Taiwan and Korea markets amidst surge in semiconductor and AI related plays. Easier global liquidity supported flows, while structural themes—technology, supply-chain diversification, and healthcare—drove selective strength.

Global bond markets saw heightened volatility over the 12 months to 31 March 2026. Rising energy prices and geopolitical tensions pushed government yields higher, weighing on duration. In contrast, improving growth resilience kept corporate credit spreads relatively contained. Diverging central-bank paths reinforced the need for active duration and regional positioning.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

Trustee's commentary - continued

9. Schroder MPF Core Accumulation Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Schroder MPF Core Accumulation Fund (launch date: 1 April 2017)	12.33	5.11	N/A	6.33
Performance Target Willis Towers Watson Median (MPF DIS Reference Portfolio)	13.1	5	N/A	6.5
Deviation from the performance target (Median)	-0.77	0.11	N/A	-0.17
Performance Target Willis Towers Watson Benchmark (MPF DIS Reference Portfolio)	11.9	4.7	N/A	6.3
Deviation from the performance target (Benchmark)	0.43	0.41	N/A	0.03

The fund has outperformed the Performance Target (Median) over 5 years, yet underperformed over 1 year.

The fund has outperformed the Performance Target (Benchmark) over 1 and 5 years.

The underlying fund outperformed the benchmark over the past year.

Over the past year to March 2026, global equity markets delivered positive returns, driven primarily by strong earnings growth and solid performance through 2025, despite periods of heightened geopolitical and macro uncertainty. Gains were led by growth-oriented regions, particularly Asian markets, supported by sustained demand for AI- and technology-related sectors. While volatility increased amid geopolitical developments and inflation concerns, resilient corporate fundamentals and contained recession risks helped underpin overall market performance.

Over the same period, fixed income markets delivered relatively modest positive returns. US Treasury yields declined from April to December 2025 amid easing inflation and central bank rate cuts. In the first quarter of 2026, global yields rose sharply, with European government bonds underperforming the US as the region's reliance on energy imports raising market concerns over more persistent inflation.

The one-year outperformance was primarily contributed by overweight allocations to equities, which captured market growth over the period. Within equities, tactical allocations to Asian markets in the beginning of 2026 also contributed. In fixed income, our underweight positioning in selective European duration amid rising yield during the first quarter of 2026 also contributed positively to performance.

As the Middle East conflict amplified inflation risks through higher and more volatile energy prices, we expect the Federal Reserve to adopt more of a "wait and see" approach. We are mindful that global volatility may lead to periods of dispersion, reinforcing the importance of selectivity.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

Trustee's commentary - continued

10. Schroder MPF Age 65 Plus Fund

	Annualised return			
	1 year	5 years	10 years	Since launch
	%	%	%	%
Schroder MPF Age 65 Plus Fund (launch date: 1 April 2017)	4.76	0.56	N/A	2.19
Performance Target Willis Towers Watson Median (MPF DIS Reference Portfolio)	5.2	0.6	N/A	2.4
Deviation from the performance target (Median)	-0.44	-0.04	N/A	-0.21
Performance Target Willis Towers Watson Benchmark (MPF DIS Reference Portfolio)	4	0.2	N/A	2
Deviation from the performance target (Benchmark)	0.76	0.36	N/A	0.19

The fund has underperformed the Performance Target (Median) over 1 and 5 years.

The fund has outperformed the Performance Target (Benchmark) over 1 and 5 years.

The underlying fund outperformed the benchmark over the past year.

Over the past year to March 2026, global equity markets delivered positive returns, driven primarily by strong earnings growth and solid performance through 2025, despite periods of heightened geopolitical and macro uncertainty. Gains were led by growth-oriented regions, particularly Asian markets, supported by sustained demand for AI- and technology-related sectors. While volatility increased amid geopolitical developments and inflation concerns, resilient corporate fundamentals and contained recession risks helped underpin overall market performance.

Over the same period, fixed income markets delivered relatively modest positive returns, as the markets were marked by sharp shifts in yields driven by policy, fiscal, and geopolitical developments. US Treasury yields declined from April to December 2025 amid easing inflation and central bank rate cuts. In the first quarter of 2026, global yields rose sharply, with European government bonds underperforming the US as the region's reliance on energy imports raising market concerns over more persistent inflation.

The one-year outperformance was primarily contributed by the equity overweight allocations, which captured market growth over the period. In fixed income, our underweight positioning in selective European duration amid rising yield during the first quarter of 2026 also contributed positively to performance.

As the Middle East conflict amplified inflation risks through higher and more volatile energy prices, we expect the Federal Reserve to adopt more of a "wait and see" approach. We are mindful that global volatility may lead to periods of dispersion, reinforcing the importance of selectivity.

Trustee's assessment framework for deriving its commentary and the Trustee's action, if any, to address its concerns raised in its commentary above

Mechanisms for monitoring Investment Managers and fund performance are in place.

There is a Trustee Investment Committee (TIC) with representatives of trustee and sponsor. TIC meetings are held regularly to review performance (for last quarter, past 1 year, past 3 years and past 5 years) and any other issues of investment funds (e.g. FER, fund range and viability of funds). TIC monitors fund performance against both the market median (i.e. Willis Towers Watson Median) and benchmark (i.e. Willis Towers Watson Benchmark). If the rates of return of a fund were both below the market median and the benchmark by 10% or more for 3 out of 4 periods, the fund(s) will be classified as under "watch list". Follow-up actions with investment managers are taken for funds under watch list (if any) with poor performance or other issues.

Results of the TIC meetings and follow-up actions (if any) are reported to the Board of Directors of the Trustee regularly.

The total net asset value of all constituent funds amounted to HK\$8,692,890,492 at the end of the financial year (2025: HK\$7,742,913,079).

Except for Invesco MPF Conservative Fund which is a direct investment fund, each other constituent fund of the Scheme invests in an approved pooled investment fund which is approved by the Mandatory Provident Fund Schemes Authority. The cash rebate and expense cap from the investment manager of the underlying funds of Allianz Choice Stable Growth Fund, Fidelity Balanced Fund, Fidelity Stable Growth Fund, Allianz Choice Balanced Fund, Invesco Global Stable Fund, Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund is totalling HK\$ 11,466,438 for this financial year (2025: HK\$10,275,063).

The analysis on movements in net asset value (including investment returns) and the investment performance of each constituent fund are shown on pages 68 to 69 and 78 to 87 respectively. Overall, those constituent funds whose investment policies are to invest to a greater extent in equities experienced more volatility in price movements than those constituent funds having a relatively greater exposure to fixed income instruments and cash.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

ANALYSIS ON MOVEMENTS IN NET ASSET VALUE (INCLUDING INVESTMENT RETURNS) FOR THE YEAR ENDED 31 MARCH

	Allianz Choice Stable Growth Fund			Fidelity Balanced Fund		
	2026 HK\$	2025 HK\$	2024 HK\$	2026 HK\$	2025 HK\$	2024 HK\$
Opening net asset value	429,534,937	408,257,984	399,074,699	1,410,025,523	1,343,413,224	1,331,185,572
Subscription of units	77,005,501	68,276,214	61,080,589	222,137,369	210,498,645	210,233,085
Redemption of units	(80,649,665)	(72,523,312)	(62,178,884)	(275,460,058)	(250,552,381)	(225,044,773)
Net loss excluding capital appreciation or depreciation	(1,527,834)	(1,687,357)	(1,584,936)	(739,983)	(697,702)	(1,562,839)
Net appreciation of investments						
- realised and unrealised	52,002,330	27,211,408	11,866,516	166,604,976	107,363,737	28,602,179
Change of net asset value during the year	46,830,332	21,276,953	9,183,285	112,542,304	66,612,299	12,227,652
Closing net asset value	476,365,269	429,534,937	408,257,984	1,522,567,827	1,410,025,523	1,343,413,224

	Fidelity Stable Growth Fund			Manulife Career Average Guaranteed Fund - SHKP		
	2026 HK\$	2025 HK\$	2024 HK\$	2026 HK\$	2025 HK\$	2024 HK\$
Opening net asset value	715,034,585	691,699,781	683,300,988	512,044,171	470,065,558	463,408,424
Subscription of units	104,628,343	96,145,735	97,822,207	153,683,993	127,746,808	119,691,650
Redemption of units	(127,651,452)	(112,317,990)	(100,798,293)	(115,819,547)	(105,960,591)	(111,962,579)
Net loss excluding capital appreciation or depreciation	(475,087)	(405,996)	(834,179)	(1,759,134)	(1,701,224)	(1,601,818)
Net appreciation of investments						
- realised and unrealised	67,166,898	39,913,055	12,209,058	24,980,182	21,893,620	529,881
Change of net asset value during the year	43,668,702	23,334,804	8,398,793	61,085,494	41,978,613	6,657,134
Closing net asset value	758,703,287	715,034,585	691,699,781	573,129,665	512,044,171	470,065,558

	Invesco MPF Conservative Fund			SHKP MPF Fund		
	2026 HK\$	2025 HK\$	2024 HK\$	2026 HK\$	2025 HK\$	2024 HK\$
Opening net asset value	745,212,629	654,944,047	628,907,542	1,579,133,944	1,360,846,468	1,231,041,527
Subscription of units	381,167,015	280,747,503	219,271,753	366,012,133	266,319,290	261,972,183
Redemption of units	(345,583,649)	(214,210,806)	(216,430,336)	(337,911,483)	(319,776,304)	(229,451,245)
Net gain/(loss) excluding capital appreciation or depreciation	7,055,489	13,914,587	16,878,158	(5,569,322)	(4,819,907)	(4,348,064)
Net appreciation of investments						
- realised and unrealised	8,249,226	9,817,298	6,316,930	168,290,003	276,564,397	101,632,067
Change of net asset value during the year	50,888,081	90,268,582	26,036,505	190,821,331	218,287,476	129,804,941
Closing net asset value	796,100,710	745,212,629	654,944,047	1,769,955,275	1,579,133,944	1,360,846,468

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

ANALYSIS ON MOVEMENTS IN NET ASSET VALUE (INCLUDING INVESTMENT RETURNS) FOR THE YEAR ENDED 31 MARCH - continued

	Allianz Choice Balanced Fund			Invesco Global Stable Fund		
	2026 HK\$	2025 HK\$	2024 HK\$	2026 HK\$	2025 HK\$	2024 HK\$
Opening net asset value	734,900,344	678,945,238	657,415,071	579,894,239	559,222,100	571,208,161
Subscription of units	158,802,604	124,545,775	118,449,027	81,170,445	78,545,546	77,950,029
Redemption of units	(140,607,898)	(123,869,970)	(120,027,096)	(90,538,988)	(86,978,535)	(97,127,325)
Net (loss)/gain excluding capital appreciation or depreciation	(2,632,139)	(2,792,152)	(2,584,480)	1,007,378	816,670	760,856
Net appreciation of investments						
- realised and unrealised	116,599,912	58,071,453	25,692,716	46,856,903	28,288,458	6,430,379
Change of net asset value during the year	132,162,479	55,955,106	21,530,167	38,495,738	20,672,139	(11,986,061)
Closing net asset value	867,062,823	734,900,344	678,945,238	618,389,977	579,894,239	559,222,100
	Schroder MPF Core Accumulation Fund			Schroder MPF Age 65 Plus Fund		
	2026 HK\$	2025 HK\$	2024 HK\$	2026 HK\$	2025 HK\$	2024 HK\$
Opening net asset value	709,933,935	572,893,675	399,133,326	327,198,772	269,045,489	219,910,556
Subscription of units	363,063,962	337,786,575	261,932,940	224,665,508	196,257,632	153,928,579
Redemption of units	(241,478,995)	(223,628,939)	(149,129,213)	(175,690,540)	(145,368,941)	(116,558,256)
Net loss excluding capital appreciation or depreciation	(4,437,163)	(3,655,407)	(2,666,506)	(1,918,096)	(1,746,207)	(1,433,916)
Net appreciation of investments						
- realised and unrealised	91,853,862	26,538,031	63,623,128	17,424,414	9,010,799	13,198,526
Change of net asset value during the year	209,001,666	137,040,260	173,760,349	64,481,286	58,153,283	49,134,933
Closing net asset value	918,935,601	709,933,935	572,893,675	391,680,058	327,198,772	269,045,489
	2026 HK\$	Total 2025 HK\$	2024 HK\$			
	2026 HK\$	2025 HK\$	2024 HK\$			
Opening net asset value	7,742,913,079	7,009,333,564	6,584,585,866			
Subscription of units	2,132,336,873	1,786,869,723	1,582,332,042			
Redemption of units	(1,931,392,275)	(1,655,187,769)	(1,428,708,000)			
Net (loss)/gain excluding capital appreciation or depreciation	(10,995,891)	(2,774,695)	1,022,276			
Net appreciation of investments						
- realised and unrealised	760,028,706	604,672,256	270,101,380			
Change of net asset value during the year	949,977,413	733,579,515	424,747,698			
Closing net asset value	8,692,890,492	7,742,913,079	7,009,333,564			

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

ANALYSIS ON MOVEMENTS IN PORTFOLIO HOLDINGS FOR THE YEAR ENDED 31 MARCH

	Holding as at 31 March 2025 Units	Additions Units	Disposals Units	Holding as at 31 March 2026 Units
1) Allianz Choice Stable Growth Fund				
Unlisted				
<u>Hong Kong</u> <i>Approved pooled investment fund</i> Allianz Global Investors Choice Fund - Allianz Choice Stable Growth Fund (Ord. A)	13,912,253.541	2,600,410.945	2,757,028.560	13,755,635.926
2) Fidelity Balanced Fund				
Unlisted				
<u>Hong Kong</u> <i>Approved pooled investment fund</i> Fidelity Global Investment Fund - Balanced Fund	5,349,421.854	851,758.768	1,043,055.334	5,158,125.288
3) Fidelity Stable Growth Fund				
Unlisted				
<u>Hong Kong</u> <i>Approved pooled investment fund</i> Fidelity Global Investment Fund - Stable Growth Fund	3,081,665.760	457,479.189	554,884.179	2,984,260.770
4) Manulife Career Average Guaranteed Fund - SHKP				
Unlisted				
<u>Hong Kong</u> <i>Approved pooled investment fund</i> Manulife Career Average Guaranteed Fund	33,881,348.379	11,050,112.426	8,664,093.774	36,267,367.031
5) Invesco MPF Conservative Fund				
			Percentage holding of net assets	
			31 March 2026 %	31 March 2025 %
Denominated in Hong Kong dollars				
Certificates of deposit			40.12	36.08
Treasury bills			13.43	18.78
Listed debt securities			1.90	1.00
Unlisted debt securities			7.85	5.63
			<u>63.30</u>	<u>61.49</u>

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

ANALYSIS ON MOVEMENTS IN PORTFOLIO HOLDINGS FOR THE YEAR ENDED 31 MARCH - continued

	<u>Holding as at 31 March 2025</u> Units	<u>Additions</u> Units	<u>Disposals</u> Units	<u>Holding as at 31 March 2026</u> Units
6) SHKP MPF Fund				
Unlisted				
<u>Hong Kong</u>				
<i>Approved pooled investment fund</i>				
SHKP Nexus Fund - SHKP MPF Fund	36,575,262.655	8,357,873.002	7,911,560.358	37,021,575.299
7) Allianz Choice Balanced Fund				
Unlisted				
<u>Hong Kong</u>				
<i>Approved pooled investment fund</i>				
Allianz Global Investors Choice Fund				
- Allianz Choice Balanced Fund				
(Ord. A)	16,239,486.874	3,329,473.003	3,063,464.154	16,505,495.723
8) Invesco Global Stable Fund				
Unlisted				
<u>Hong Kong</u>				
<i>Approved pooled investment fund</i>				
Invesco Global Stable Fund - Class A	48,583,876.452	6,390,082.769	7,136,580.461	47,837,378.760
9) Schroder MPF Core Accumulation Fund				
Unlisted				
<u>Hong Kong</u>				
<i>Approved pooled investment fund</i>				
Schroder MPF Core 60/40 Fund	42,919,616.831	20,476,085.570	14,162,721.395	49,232,981.006
10) Schroder MPF Age 65 Plus Fund				
Unlisted				
<u>Hong Kong</u>				
<i>Approved pooled investment fund</i>				
Schroder MPF Core 20/80 Fund	26,182,710.654	18,009,225.481	14,518,468.840	29,673,467.295

SHKP MPF EMPLOYER SPONSORED SCHEMEUNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

INVESTMENT PORTFOLIO AS AT 31 March 2026

	<u>No. of shares held</u>	<u>Market value HK\$</u>	<u>% of Net assets</u>
1) Allianz Choice Stable Growth Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Allianz Global Investors Choice Fund			
- Allianz Choice Stable Growth Fund (Ord. A)	<u>13,755,636</u>	<u>473,881,658</u>	<u>99.48</u>
Total investments, at cost ^{1,2}		<u>377,798,773</u>	
2) Fidelity Balanced Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Fidelity Global Investment Fund			
- Balanced Fund	<u>5,158,125</u>	<u>1,516,798,322</u>	<u>99.62</u>
Total investments, at cost ^{1,2}		<u>1,211,112,420</u>	
3) Fidelity Stable Growth Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Fidelity Global Investment Fund			
- Stable Growth Fund	<u>2,984,261</u>	<u>755,226,869</u>	<u>99.54</u>
Total investments, at cost ^{1,2}		<u>623,389,870</u>	
4) Manulife Career Average Guaranteed Fund - SHKP			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Manulife Career Average Guaranteed Fund	<u>36,267,367</u>	<u>568,614,287</u>	<u>99.21</u>
Total investments, at cost ^{1,2}		<u>536,146,107</u>	

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

INVESTMENT PORTFOLIO AS AT 31 March 2026 - continued

5) Invesco MPF Conservative Fund

	<u>Nominal value</u>	<u>Market value</u> HK\$	<u>% of net</u> <u>assets</u>
<u>Certificates of deposit</u>			
<i>Denominated in Hong Kong dollars</i>			
<u>AUSTRALIA</u>			
Commonwealth Bank of Australia 2.82% 09/07/2026	12,000,000	12,087,278	1.52
Commonwealth Bank of Australia 2.94% 22/09/2026	12,000,000	12,114,251	1.52
Commonwealth Bank of Australia 3.01% 15/06/2026	14,000,000	14,135,103	1.78
<u>CANADA</u>			
Canadian Imperial Bank of Commerce/Hong Kong 0% 18/09/2026	13,000,000	12,856,043	1.61
<u>CHINA</u>			
Bank of China Ltd/Hong Kong 0% 11/09/2026	12,000,000	11,878,680	1.49
Bank of China Ltd/Macau 0% 12/05/2026	7,000,000	6,983,596	0.88
Bank of China Ltd/Macau 0% 09/06/2026	9,000,000	8,966,517	1.13
Bank of China Ltd/Macau 2.69% 29/04/2026	11,000,000	11,054,100	1.39
Bank of China Ltd/Seoul 0% 18/09/2026	12,000,000	11,873,119	1.49
Bank of Communications Co Ltd/Sydney 2.5% 27/05/2026	5,000,000	5,107,752	0.64
Bank of Communications Co Ltd/Sydney 3.75% 22/04/2026	12,000,000	12,425,602	1.56
Bank of Communications Co Ltd/Sydney 0% 23/06/2026	15,000,000	14,927,339	1.88
China Construction Bank Corp/Seoul 3.24% 17/04/2026	9,000,000	9,134,240	1.15
China Construction Bank Corp/Seoul 0% 22/04/2026	11,000,000	10,987,150	1.38
China Construction Bank Corp/Seoul 0% 29/09/2026	12,000,000	11,864,327	1.49
China Construction Bank Corp/Tokyo 0% 09/06/2026	14,000,000	13,936,580	1.75
China Construction Bank Corp/Tokyo 0% 22/12/2026	12,000,000	11,784,175	1.48
Industrial & Commercial Bank of China Ltd/Sydney 2.71% 08/01/2027	12,000,000	12,000,000	1.51
Industrial & Commercial Bank of China Ltd/Seoul 3.8% 10/04/2026	12,000,000	12,442,766	1.56
Industrial & Commercial Bank of China Ltd/Seoul 0% 18/06/2026	10,000,000	9,954,558	1.25
Industrial & Commercial Bank of China Ltd/Sydney 0% 04/09/2026	12,000,000	11,884,215	1.49
Industrial & Commercial Bank of China Ltd/Sydney 0% 22/05/2026	7,000,000	6,979,454	0.88
<u>GERMANY</u>			
DZ Bank AG Deutsche Zentral-Genossenschaftsbank/Hong Kong 0% 15/07/2026	12,000,000	11,929,944	1.50
DZ Bank AG Deutsche Zentral-Genossenschaftsbank/Hong Kong 0% 20/07/2026	11,000,000	10,932,411	1.37
DZ Bank AG Deutsche Zentral-Genossenschaftsbank/Hong Kong 0% 24/08/2026	4,000,000	3,962,370	0.50
DZ Bank AG Deutsche Zentral-Genossenschaftsbank/Hong Kong 2.8% 04/08/2026	11,000,000	11,057,052	1.39
DZ Bank AG Deutsche Zentral-Genossenschaftsbank/Hong Kong 3% 17/08/2026	7,000,000	7,124,618	0.89
DZ Bank AG Deutsche Zentral-Genossenschaftsbank/Hong Kong 3.3% 23/04/2026	7,000,000	7,104,548	0.89
<u>HONG KONG</u>			
Korea Development Bank/Hong Kong 0% 02/04/2026	10,000,000	10,000,000	1.26
<u>SINGAPORE</u>			
United Overseas Bank Ltd/Hong Kong 0% 24/09/2026	12,000,000	11,862,773	1.49
		<u>319,350,561</u>	<u>40.12</u>

SHKP MPF EMPLOYER SPONSORED SCHEMEUNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

INVESTMENT PORTFOLIO AS AT 31 March 2026 - continued

5) Invesco MPF Conservative Fund - continued

	<u>Nominal value</u>	<u>Market value</u> HK\$	<u>% of net</u> <u>assets</u>
<u>Treasury bills</u>			
<i>Denominated in Hong Kong dollars</i>			
<u>HONG KONG</u>			
Hong Kong Exchange Fund Bill 0% 01/04/2026	20,000,000	19,998,943	2.51
Hong Kong Exchange Fund Bill 0% 15/04/2026	15,000,000	14,988,659	1.88
Hong Kong Exchange Fund Bill 0% 22/04/2026	20,000,000	19,978,339	2.51
Hong Kong Exchange Fund Bill 0% 29/04/2026	12,000,000	11,983,280	1.51
Hong Kong Exchange Fund Bill 0% 06/05/2026	20,000,000	19,965,224	2.51
Hong Kong Exchange Fund Bill 0% 08/04/2026	20,000,000	19,991,745	2.51
		<u>106,906,190</u>	<u>13.43</u>
<u>Listed Debt securities</u>			
<u>CHINA</u>			
Bank of China Ltd/Macau 0% 19/05/2026	7,000,000	6,980,698	0.88
<u>SOUTH KOREA</u>			
Shinhan Bank Co Ltd 3.05% 03/09/2026 EMTN	8,000,000	8,154,622	1.02
		<u>15,135,320</u>	<u>1.90</u>
<u>Unlisted debt securities</u>			
<u>AUSTRALIA</u>			
Commonwealth Bank of Australia 2.91% 12/02/2027 EMTN	12,000,000	12,074,199	1.52
Westpac Banking Corp 2.91% 30/03/2027 EMTN	12,000,000	12,033,089	1.51
<u>HONG KONG</u>			
Hong Kong Mortgage Corp Ltd/The 0% 08/04/2026 EMTN	10,000,000	9,996,498	1.26
Hong Kong Mortgage Corp Ltd/The 3.23% 08/04/2026 EMTN	16,000,000	16,250,584	2.04
<u>SOUTH KOREA</u>			
Korea Development Bank/Hong Kong 2.94% 02/02/2027 EMTN	12,000,000	12,079,232	1.52
		<u>62,433,602</u>	<u>7.85</u>
Total investments		<u>503,825,673</u>	<u>63.30</u>
Total investments, at cost ¹		<u>499,629,260</u>	

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

INVESTMENT PORTFOLIO AS AT 31 March 2026 - continued

	<u>No. of shares held</u>	<u>Market value HK\$</u>	<u>% of Net assets</u>
6) SHKP MPF Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
SHKP Nexus Fund - SHKP MPF Fund	<u>37,021,575</u>	<u>1,758,413,762</u>	<u>99.35</u>
Total investments, at cost ^{1,2}		<u>1,387,951,301</u>	
7) Allianz Choice Balanced Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Allianz Global Investors Choice Fund - Allianz Choice Balanced Fund	<u>16,505,496</u>	<u>862,412,151</u>	<u>99.46</u>
Total investments, at cost ^{1,2}		<u>661,313,704</u>	
8) Invesco Global Stable Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Invesco Pooled Investment Fund - Global Stable Fund - Class A	<u>47,837,379</u>	<u>614,361,104</u>	<u>99.35</u>
Total investments, at cost ^{1,2}		<u>536,898,841</u>	
9) Schroder MPF Core Accumulation Fund			
<u>Approved Pooled Investment Fund</u> (Unlisted)			
Schroder MPF Core 60/40 Fund	<u>49,232,981</u>	<u>913,271,797</u>	<u>99.38</u>
Total investments, at cost ^{1,2}		<u>795,158,935</u>	

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

INVESTMENT PORTFOLIO AS AT 31 March 2026 - continued

	<u>No. of shares held</u>	<u>Market value HK\$</u>	<u>% of Net assets</u>
10) Schroder MPF Age 65 Plus Fund			
<u>Approved Pooled Investment Fund (Unlisted)</u>			
Schroder MPF Core 20/80 Fund	<u>29,673,467</u>	<u>385,458,340</u>	<u>98.41</u>
Total investments, at cost ^{1,2}		<u>367,994,500</u>	

¹ Investments are accounted on a trade date basis.

² The underlying approved pooled investment funds as listed above were established in Hong Kong and approved by the Mandatory Provident Fund Schemes Authority.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

ANALYSIS OF INVESTMENTS HELD BY THE SCHEME

		<u>As at 31 March 2026</u>		<u>As at 31 March 2025</u>		<u>As at 31 March 2024</u>	
		Net	% of net	Net	% of net	Net	% of net
		<u>asset value</u>	<u>value</u>	<u>asset value</u>	<u>value</u>	<u>asset value</u>	<u>value</u>
1)	Allianz Choice Stable Growth Fund	476,365,269	5.48%	429,534,937	5.55%	408,257,984	5.82%
2)	Fidelity Balanced Fund	1,522,567,827	17.52%	1,410,025,523	18.21%	1,343,413,224	19.17%
3)	Fidelity Stable Growth Fund	758,703,287	8.73%	715,034,585	9.23%	691,699,781	9.87%
4)	Manulife Career Average Guaranteed Fund - SHKP	573,129,665	6.59%	512,044,171	6.61%	470,065,558	6.71%
5)	Invesco MPF Conservative Fund	796,100,710	9.16%	745,212,629	9.62%	654,944,047	9.34%
6)	SHKP MPF Fund	1,769,955,275	20.36%	1,579,133,944	20.39%	1,360,846,468	19.41%
7)	Allianz Choice Balanced Fund	867,062,823	9.97%	734,900,344	9.49%	678,945,238	9.69%
8)	Invesco Global Stable Fund	618,389,977	7.11%	579,894,239	7.49%	559,222,100	7.98%
9)	Schroder MPF Core Accumulation Fund	918,935,601	10.57%	709,933,935	9.17%	572,893,675	8.17%
10)	Schroder MPF Age 65 Plus Fund	391,680,058	4.51%	327,198,772	4.24%	269,045,489	3.84 %
NET ASSET VALUE		<u>8,692,890,492</u>	<u>100.00%</u>	<u>7,742,913,079</u>	<u>100.00%</u>	<u>7,009,333,564</u>	<u>100.00%</u>

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE

1. Allianz Choice Stable Growth Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	476,365,269	429,534,937	408,257,984
Net asset value per unit	<u>29.32</u>	<u>26.22</u>	<u>24.67</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	31.18	24.76	11.82
2025	26.94	23.94	6.28
2024	24.76	22.38	2.62
2023	25.75	21.00	(6.28)
2022	28.18	24.53	(5.87)
2021	28.42	20.93	28.24
2020	23.69	19.88	(4.62)
2019	23.29	20.74	(3.51)
2018	24.16	20.31	13.58
2017	20.46	18.94	5.34
2016	<u>21.02</u>	<u>18.04</u>	<u>(3.45)</u>

Notes:

1. Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.
2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

2. Fidelity Balanced Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	1,522,567,827	1,410,025,523	1,343,413,224
Net asset value per unit	<u>266.89</u>	<u>238.32</u>	<u>220.67</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	290.29	218.83	11.99
2025	250.77	213.20	8.00
2024	221.24	195.87	2.15
2023	235.74	185.43	(7.58)
2022	266.38	218.66	(8.28)
2021	270.06	189.60	31.98
2020	224.88	177.42	(6.50)
2019	214.11	186.34	(1.02)
2018	221.86	178.69	16.24
2017	180.57	160.48	8.85
2016	<u>187.69</u>	<u>150.79</u>	<u>(6.45)</u>

Notes:

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2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

3. Fidelity Stable Growth Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	758,703,287	715,034,585	691,699,781
Net asset value per unit	<u>229.80</u>	<u>210.05</u>	<u>198.61</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	246.08	197.94	9.40
2025	219.49	192.48	5.76
2024	198.75	178.48	1.74
2023	213.24	171.83	(7.95)
2022	237.85	202.59	(7.48)
2021	240.99	183.90	23.01
2020	206.43	174.05	(3.25)
2019	196.34	177.73	(0.58)
2018	202.35	170.40	13.64
2017	171.27	158.35	5.64
2016	<u>176.34</u>	<u>150.52</u>	<u>(3.97)</u>

Notes:

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2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

4. Manulife Career Average Guaranteed Fund - SHKP

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	573,129,665	512,044,171	470,065,558
Net asset value per unit	<u>13.428</u>	<u>12.855</u>	<u>12.335</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	13.538	12.785	4.46
2025	12.855	12.264	4.22
2024	12.481	11.786	(0.21)
2023	12.788	11.276	(3.65)
2022	13.854	12.718	(5.56)
2021	13.854	13.126	2.62
2020	13.749	12.780	3.04
2019	12.876	12.149	4.07
2018	12.651	12.298	0.06
2017	12.647	12.093	0.37
2016	<u>12.291</u>	<u>11.980</u>	<u>0.99</u>

Notes:

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2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

5. Invesco MPF Conservative Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	796,100,710	745,212,629	654,944,047
Net asset value per unit	<u>12.676</u>	<u>12.426</u>	<u>12.006</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	12.676	12.427	2.01
2025	12.426	12.010	3.50
2024	12.006	11.578	3.72
2023	11.575	11.420	1.36
2022	11.420	11.419	0.01
2021	11.419	11.366	0.47
2020	11.366	11.198	1.51
2019	11.197	11.088	0.99
2018	11.087	11.077	0.09
2017	11.077	11.077	0.00
2016	<u>11.077</u>	<u>11.076</u>	<u>0.01</u>

Notes:

1. Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.
2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

6. SHKP MPF Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	1,769,955,275	1,579,133,944	1,360,846,468
Net asset value per unit	<u>42.859</u>	<u>38.794</u>	<u>32.141</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	45.660	36.873	10.48
2025	39.497	30.406	20.70
2024	32.564	27.751	7.79
2023	36.324	25.404	(15.36)
2022	46.846	30.471	(21.10)
2021	48.940	26.846	62.44
2020	32.393	24.913	(6.39)
2019	30.714	25.527	0.33
2018	30.987	24.775	17.88
2017	24.957	21.317	12.85
2016	<u>26.482</u>	<u>19.909</u>	<u>8.51</u>

Notes:

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2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

7. Allianz Choice Balanced Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	867,062,823	734,900,344	678,945,238
Net asset value per unit	<u>46.66</u>	<u>40.36</u>	<u>37.33</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	50.28	37.18	15.61
2025	41.86	36.08	8.12
2024	37.47	33.36	3.58
2023	38.45	30.60	(5.61)
2022	42.33	35.84	(5.98)
2021	42.67	28.60	39.12
2020	34.07	26.73	(7.95)
2019	33.84	28.90	(4.63)
2018	35.43	28.35	16.83
2017	28.66	25.42	8.63
2016	<u>29.92</u>	<u>23.91</u>	<u>(6.36)</u>

Notes:

1. Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.
2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEME

UNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

8. Invesco Global Stable Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	618,389,977	579,894,239	559,222,100
Net asset value per unit	<u>13.0407</u>	<u>12.0440</u>	<u>11.4408</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	13.7169	11.6958	8.28
2025	12.2595	11.1447	5.27
2024	11.4992	10.5179	1.40
2023	11.8586	9.9814	(4.68)
2022	12.9988	11.5264	(6.48)
2021	13.1507	10.7772	16.35
2020	11.7059	10.3163	(2.47)
2019	11.3658	10.5056	(1.08)
2018	11.5635	10.2490	10.04
2017	10.4164	9.8380	3.16
2016	<u>10.4155</u>	<u>9.4225</u>	<u>(1.84)</u>

Notes:

1. Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.
2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.

SHKP MPF EMPLOYER SPONSORED SCHEMEUNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

9. Schroder MPF Core Accumulation Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	918,935,601	709,933,935	572,893,675
Net asset value per unit	<u>17.3758</u>	<u>15.4686</u>	<u>14.8814</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	18.4660	14.4935	12.33
2025	16.1532	14.3597	3.95
2024	14.8821	12.7401	13.25
2023	14.0963	11.7276	(6.34)
2022	14.7001	13.4789	3.62
2021	13.7122	10.1370	30.94
2020	11.8883	9.5348	(5.41)
2019	11.0390	9.9469	1.38
2018 (note 3)	11.2377	9.9925	7.83
2017	-	-	-
2016	<u>-</u>	<u>-</u>	<u>-</u>

Notes:

1. Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.
2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.
3. The actual net investment return is calculated as the percentage change in unit price between the establishment of Schroder MPF Core Accumulation Fund on 1 April 2017 and the period end date 31 March 2018.

SHKP MPF EMPLOYER SPONSORED SCHEMEUNAUDITED INVESTMENT REPORT - continued
FOR THE YEAR ENDED 31 MARCH 2026

PERFORMANCE TABLE - continued

10. Schroder MPF Age 65 Plus Fund

	<u>2026</u> HK\$	<u>2025</u> HK\$	<u>2024</u> HK\$
Total net asset value	391,680,058	327,198,772	269,045,489
Net asset value per unit	<u>12.1555</u>	<u>11.6026</u>	<u>11.3083</u>
	Highest issue price per unit HK\$	Lowest redemption price per unit HK\$	Net annualised investment return % (note 2)
2026	12.5674	11.3599	4.77
2025	11.8002	11.0518	2.60
2024	11.3089	10.3728	4.74
2023	11.6050	10.1523	(6.90)
2022	12.2618	11.4944	(1.88)
2021	12.0605	10.8426	8.52
2020	11.2650	10.4493	3.95
2019	10.4777	9.9906	2.37
2018 (note 3)	10.3241	9.9720	2.35
2017	-	-	-
2016	<u>-</u>	<u>-</u>	<u>-</u>

Notes:

1. Past performance is not necessary a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.
2. The net annualised investment return is calculated by comparing the net asset value per unit at the year end against the net asset value per unit at the beginning of the year.
3. The actual net investment return is calculated as the percentage change in unit price between the establishment of Schroder MPF Age 65 Plus Fund on 1 April 2017 and the period end date 31 March 2018.

INDEPENDENT AUDITOR'S ASSURANCE REPORT

TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME

We have audited the financial statements of SHKP MPF Employer Sponsored Scheme (the "Scheme") and each of its constituent funds for the year ended 31 March 2026 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1(Revised) "The Audit of Retirement Schemes" ("PN 860.1 (Revised)") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and have issued an unqualified auditor's report thereon dated 28 September 2026.

Pursuant to section 102 of the Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation"), we are required to report whether the Scheme complied with certain requirements of the Mandatory Provident Fund Schemes Ordinance (the "MPFSO") and the General Regulation.

Trustee's Responsibilities

The General Regulation requires the trustee to ensure that:

- (a) proper accounting and other records are kept in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme;
- (b) the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority (the "MPFA") under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part 10 of, and Schedule 1 to, the General Regulation are complied with;
- (c) the requirements under sections 34DB(1)(a), (b), (c) and (d), 34DC(1), 34DD(1) and (4) of the MPFSO are complied with; and
- (d) the Scheme assets are not subject to any encumbrance, otherwise than as permitted by section 65 of the General Regulation.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S ASSURANCE REPORT

TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME - continued

Auditor's Responsibility

Our responsibility is to report on the Scheme's compliance with the above requirements based on the results of the procedures performed by us, solely to you, in accordance with section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to PN 860.1 (Revised) issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance on whether the Scheme has complied with the above requirements.

We have planned and performed such procedures as we considered necessary with reference to the procedures recommended on PN 860.1 (Revised), which included reviewing, on a test basis, evidence obtained from the Trustee regarding the Scheme's compliance with the above requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Based on the foregoing:

1. in our opinion:
 - (a) proper accounting and other records have been kept during the year ended 31 March 2026 in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme; and
 - (b) the requirements specified in the guidelines made by the MPFA under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part 10 of, and Schedule 1 to, the General Regulation have been complied with, in all material respects, as at 15 July 2025, 15 December 2025 and 31 March 2026; and
 - (c) the requirements specified in the MPFSO under sections 34DB(1)(a), (b), (c) and (d), 34DC(1) and 34DD(1) and (4)(a) with respect to the investment of accrued benefits and control of payment for services relating to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund have been complied with, in all material respects, as at 15 July 2025, 15 December 2025 and 31 March 2026; and
 - (d) the requirements specified in section 34DD(4)(b) of the MPFSO with respect to the controls of out-of-pocket expenses of the Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund have been complied with, in all material respects, as at 15 July 2025, 15 December 2025 and 31 March 2026.
2. As at 31 March 2026, the Scheme assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

INDEPENDENT AUDITOR'S ASSURANCE REPORT

TO THE TRUSTEE OF SHKP MPF EMPLOYER SPONSORED SCHEME - continued

Other Matter

The requirements specified in the MPFSO under sections 34DI(1) and (2) and 34DK(2) with respect to the transfer of accrued benefits to an account and specified notice, and 34DJ(2), (3), (4) and (5) with respect to locating scheme members relating to Schroder MPF Core Accumulation Fund and Schroder MPF Age 65 Plus Fund are not applicable to the Trustee during the year ended 31 March 2026 as the trustee has completed the relevant transitional provisions. Accordingly, there is no reporting on these sections.

Intended Users and Purpose

This report is intended solely for submission by the Trustee to the MPFA pursuant to section 102 of the General Regulation, and is not intended to be, and should not be, used by anyone for any other purpose. As explained in our engagement letter governing this engagement, the Contracts (Rights of Third Parties) Ordinance does not apply, and only signing parties to the engagement letter contract have any rights under it.



Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 September 2026

SHKP MPF EMPLOYER SPONSORED SCHEME
SCHEME GOVERNANCE REPORT
FOR THE YEAR ENDED
31 MARCH 2026

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Section 1: Trustee's Governance Framework

Overview of Trustee's Governance Framework

Standard Chartered Trustee (Hong Kong) Limited ("SCT" or the "Company"), as the trustee of SHKP MPF Employer Sponsored Scheme (the "Scheme"), has established the governance framework to ensure effective and prudent management and operations of SCT's trustee businesses. The framework is endorsed by the Board of Directors (the "Board"), such that decisions and initiatives undertaken are consistent with SCT's scope of services and fiduciary responsibilities towards the interest of Scheme members.

SCT signed the Mandatory Provident Fund Schemes Authority (the "MPFA")'s Governance Charter for MPF Trustees in 2018 and committed to uphold and abide by the following core values at all times:-

- Value-for-money MPF schemes and services;
- Act in the best interest of members;
- Lift governance standards;
- Understand and respond to members' needs;
- Engage members through transparency and communications; and
- Serve with honesty and integrity

The Board is ultimately responsible for the performance of SCT, including its compliance with regulatory, contractual, fiduciary and corporate obligations as well as safeguard MPF members' interests.

Board Composition

The Board currently composes of representatives from the business and two independent non-executive directors. The representatives are selected with a view of the necessary skills, expertise and authority to ensure the responsibilities are appropriately discharged. The Board comprises of five directors and two independent non-executive directors as at 31 March 2026. The directors' biographies collectively demonstrate a breadth of industry and sector experience and institutional knowledge that manage to understand the key activities and risks involved in the business and to provide proper oversight and effective challenge across the major activities and decisions made in respect of the Scheme. The Board is committed to maintaining sufficient size that the requirements of the business can be met and that changes to the Board's composition can be managed without undue disruption.

Role of the Board

The Board Terms of Reference sets out the role and responsibilities of the Board. The Board is responsible for the governance, strategic direction and performance of the Company and for the delivery of sustainable value within a framework of prudent and effective controls. The Board is also responsible for understanding the views and interests of all other key stakeholders and for considering those views and interests during Board discussions and decision-making. The Board has responsibility for the matters set out below key areas:

- Strategy and Management
- Financial Reporting and Controls
- Risk Management and Internal Control
- Communication
- Board Membership and other Appointments
- Delegation of Authority
- Corporate Governance Matters

Committees of the Board

The Board has established Trustee Committee, Trustee Investment Committee and Fiduciary Risk Committee with the following salient responsibilities:

- Trustee Committee: Representatives from Compliance, Risk, Trustee Services, Operations and the Chief Executive Officer of SCT ("CEO") meet monthly to consider and discuss:
 - Regulatory updates
 - Incident, error or regulatory breach
 - Weaknesses in operations or controls
 - Service providers performance
 - Initiatives undertaken by Risk
- Trustee Investment Committee: Representatives comprise the sponsor of the schemes, with a view to elevating the investment performance of the investment options for the schemes under SCT's trusteeship, as well as determining follow up actions against investment managers who consistently underperformed the set standards.
- Fiduciary Risk Committee: Representatives from Compliance, Risk, Trustee Services, Operations, CEO of SCT and Independent Non-Executive Director ("INED") of HK Trustee which is the Chair of the Committee meet at least 4 times per year to ensure effective management and monitoring of risks impacting the Company's business including compliance to all statutory and regulatory requirements.

In addition to the above, dedicated committee or team will be formed to oversee different projects as and when required.

Mechanism for reporting

1. The Board meets on a quarterly basis at least to provide strategic directions for the oversight of SCT's operations. At its meetings, the Board receives and considers submissions from the CEO and the relevant stakeholders, which include submissions by the committee(s).
2. The report to the Board specifically covers but not limited to:-
 - Service providers monitoring result
 - Funds' performance update
 - Breaches and errors reporting
 - Material regulatory or policies changes and the relevant impact analysis
 - Organization changes including business planning
 - Updates from Finance, Risk and Compliance
3. The Board will receive reports and recommendations from time to time on any matter which it considers significant to the Company.

Governance enhancement

SCT's Board members/composition was well established since 2023. In light of the scale of the MPF trustee business, the Board comprised five Directors and two independent non-executive directors("INEDs") as at 31 March 2026. The Board considers this composition appropriate for discharging their roles properly, in particular, one of the Directors is the Chief Risk Officer, Hong Kong & Greater China and North Asia.

Section 2: Assessment Areas

The overall structure and activities of the Scheme are reviewed continuously, with issues discussed in the relevant committees and quarterly Board meetings, as necessary.

(i) Value for Money Assessment

SCT is committed to pursuing effective strategy of facilitating the Scheme to provide members with value for money.

1. The expenses and fees charged to members are an important metric for assessing if the Scheme is offering value for money.
 - 1.1 SCT monitors the fund expense ratios ("FER") of the constituent funds under the Scheme ("CFs") against the relevant industry information on a regular basis.
 - 1.2 The Scheme is an employer sponsored scheme that no sponsor fee is charged to the Scheme.
2. The performance of the CFs is another core pillar for assessing the Scheme's value to members. Trustee Investment Committee monitors and measures investment performance of the Scheme's CFs against the industry median over different horizons. Notable change (surge) in the volatility of a CF will be identified.
3. The range of funds and options available under the Scheme is another important part of the Scheme's value to members.
 - 3.1 SCT will initiate and conduct discussion with the Sponsor regularly on the adequacy and suitability of investment options.
 - 3.2 SCT also considers initiatives to review the range and suitability of fund options, which aim to diversify the choice of the CFs under the Scheme and to enhance its overall competitiveness in the long run.
4. SCT reviews and monitors the quality and level of services provided to Scheme members. Observations and suggestions for enhancements are regular agenda items at internal meetings and/or with the relevant stakeholders. SCT works with the scheme administrator of the Scheme in this area with a view to supporting the Scheme members to manage their accounts in a secured and efficient manner.
5. SCT reviews the performance of the investment managers of the constituent funds under the Scheme regularly and also through the regular monitoring mechanism to ensure the investment managers discharge its roles and responsibilities in accordance with the applicable requirements.
6. SCT follows its group conflict of interest policies and procedures for identifying and managing any potential and actual conflict of interest issues. The Board also monitors conflict of interest so as to ensure the interests of Scheme members are considered in SCT's decision-making process and decisions are not unduly influenced by the interests of other parties. In particular, SCT has no ties to the sponsor of the Scheme which facilitates provision of independent trustee services. The fees and charges borne by the Scheme are disclosed in the scheme brochure and the investment managers of the constituent funds are independent from SCT. All staff of SCT are required to complete mandatory compliance training course to certify their compliance with the group's code of conduct policy and that directors of the Board are also required to declare annually disclosing any conflict of interest.

Table 1- Summary of Value-for-Money Assessment

	Assessment criteria	Assessment results	Follow-up actions / plans
1	Fund performance	Satisfactory	Continue to monitor and execute the regular monitoring mechanism
2	Fee level	Satisfactory	Continue to monitor and execute the regular monitoring mechanism
3	Services to scheme members	Satisfactory in respect of services provided by SCT	Continue to monitor and execute the regular monitoring mechanism
4	Range of funds	Satisfactory	Continue to monitor and execute the regular monitoring mechanism

Summary of Key Actions Taken

With a view to providing value to the Scheme members, the below key actions were taken by SCT during the financial year from 1 April 2025 to 31 March 2026 and SCT is satisfied with the actions arising from the value for money assessment of the Scheme.

Investment Performance Monitoring

1. SCT reviewed the investment performance of the constituent funds under the Scheme on a regular basis and followed up with the investment manager of the constituent fund with unsatisfactory fund performance in March 2026. SCT continues to engage with the investment manager to understand their plans to improve their performance, and the timeline for these plans to be executed. The fund range is considered appropriate and thus no new fund launch plan on the pipeline.
2. Please refer to section headed "Trustee Commentary" in the Scheme's Annual Consolidated Report for the year ended 31 March 2026 for the analysis of investment returns of individual CFs under the Scheme against the performance target.
3. SCT would continue monitor the investment performance of the CFs under the Scheme and take necessary actions if investment underperformance situations are noted. This included following up with the relevant investment manager to provide the justification as well as their proposed actions to improve the underperformance situation.

Table 2 - Assessment on Fund Performance

Name of constituent fund (CF)	Name of benchmark / performance target	Annualized net return (% per annum)											
		1 year			5 years			10 years			Since launch		
		CF	Benchmark/ performance target		CF	Benchmark/ performance target		CF	Benchmark/ performance target		CF	Benchmark/ performance target	
			Benchmark	Median		Benchmark	Median		Benchmark	Median		Benchmark	Median
SHKP MPF Fund	WTW (Equity content 40-60%)	10.48	12.3	11.1	-0.81	2.5	0.8	6.9	4.9	3.6	6.32	5.93	N/A
Manulife Career Average Guaranteed Fund - SHKP	WTW (Guaranteed Fund)	4.46	N/A	4.3	-0.23	N/A	0.1	0.89	N/A	0.4	1.04	N/A	N/A
Invesco Global Stable Fund	WTW (Equity content 20-40%)	8.28	8.6	7.6	0.6	0.9	-0.2	2.76	3.1	2	2.42	3.03	N/A
Allianz Choice Balanced Fund	WTW (Equity Content 60-80%)	15.61	16	14.8	2.82	4.1	2.2	5.94	6.8	5	4.55	6.41	N/A
Allianz Choice Stable Growth Fund	WTW (Equity content 40-60%)	11.82	12.3	11.1	1.48	2.5	0.8	4.27	4.9	3.6	4.31	5.45	N/A
Fidelity Balanced Fund	WTW (Equity Content 60-80%)	11.99	16	14.8	0.93	4.1	2.2	4.93	6.8	5	4.99	6.29	N/A
Fidelity Stable Growth Fund	WTW (Equity Content 40-60%)	9.4	12.3	11.1	0.05	2.5	0.8	3.6	4.9	3.6	4.38	5.45	N/A
Invesco MPF Conservative Fund	WTW (MPF Conservative Fund)	2.02	0.13	1.95	2.11	0.36	1.93	1.36	0.19	1.21	0.94	0.4	N/A
Schroder MPF Core Accumulation Fund	WTW (Default Investment Strategy)	12.33	11.9	13.1	5.11	4.7	5	N/A	N/A	N/A	6.33	6.3	6.5
Schroder MPF Age 65 Plus Fund	WTW (Default Investment Strategy)	4.76	4	5.2	0.56	0.2	0.6	N/A	N/A	N/A	2.19	2	2.4

Note:

1. WTW stands for Towers Watson Investment Services Hong Kong Limited.
2. CFs with annualized net returns below their respective benchmarks and/or median are shown in bold.
3. Since-launch benchmark performance is calculated by compounding the monthly returns of the relevant WTW MPF Benchmark from the fund launch date to the reporting date. The cumulative return is then annualised using the corresponding investment period to derive the since-launch annualised benchmark return.
4. Since-launch median performance is presented as "N/A" for certain constituent funds due to inconsistencies in inception dates across the peer group, resulting in non-comparable track records.

Table 3 - Follow-up Actions / Plans to Improve Value for Scheme Members

Name of constituent fund	Investment Manager at APIF	Follow-up actions / plans
Manulife Career Average Guaranteed Fund - SHKP	Manulife Asset Management (Hong Kong) Limited at underlying approved pooled investment fund ('APIF') level.	Guarantor fee of the APIF was reduced by 0.2% p.a. with effect from 1 July 2026. Investment management fee of the APIF will be reduced by 0.05% p.a. in December 2027, followed by another 0.05% p.a. in December 2029.
Schroder MPF Core Accumulation Fund	Schroder Investment Management (Hong Kong) Limited at APIF level	Investment manager has implemented a series of structural enhancements in 2025, including changes to the equity and fixed income strategies, the introduction of additional alpha sources and tactical asset allocation capabilities, with early indications of improved benchmark-relative performance following implementation.
Schroder MPF Age 65 Plus Fund	Schroder Investment Management (Hong Kong) Limited at APIF level	Investment manager has implemented a series of structural enhancements in 2025, including changes to the equity and fixed income strategies, the introduction of additional alpha sources and tactical asset allocation capabilities, with early indications of improved benchmark-relative performance following implementation.
Fidelity Balanced Fund	FIL Investment Management (Hong Kong) Limited at APIF level	Investment management fee of the APIF was reduced by 0.02% p.a. with effect from 1 July 2026, followed by a further 0.01% p.a. reduction in 2028 and 2030. The relevant investment manager has enhanced portfolio construction, improved benchmark alignment, and expanded investment tools to improve benchmark-relative performance.
Fidelity Stable Growth Fund	FIL Investment Management (Hong Kong) Limited at APIF level	Investment management fee of the APIF was reduced by 0.02% p.a. with effect from 1 January 2026, followed by a further 0.01% p.a. reduction in 2028 and 2030. The relevant investment manager has enhanced portfolio construction, improved benchmark alignment, and expanded investment tools to improve benchmark-relative performance.

Fees and Charges Monitoring

SCT performed a review of the CF's FERs against the peers and considered the fees level of the CFs are reasonable and fair, in particular, no sponsor fees were charged to the CFs and the FER of some CFs are one of the lowest in the respective categories. SCT would continue to monitor fees and charges applied by the respective CFs.

Table 4 - Assessment on Fee Level

Name of constituent fund	Launch date	Net asset value (HK\$)	Fund Expense Ratio (FER) (expressed as a percentage per annum)	Fund category	Industry average FER
SHKP MPF Fund	02/07/2002	1,769,955,275	0.66544%	Mixed Assets Fund - 41% to 60% Equity	1.31574
Manulife Career Average Guaranteed Fund - SHKP	01/12/2000	573,129,665	2.14749%*	Guaranteed Fund	1.96897
Invesco Global Stable Fund	04/03/2015	618,389,977	0.81218%	Mixed Assets Fund - 21% to 40% Equity	1.38647
Allianz Choice Balanced Fund	19/03/2010	867,062,823	0.90406%	Mixed Assets Fund - 61% to 80% Equity	1.31170
Allianz Choice Stable Growth Fund	01/12/2000	476,365,269	0.91335%	Mixed Assets Fund - 41% to 60% Equity	1.31574
Fidelity Balanced Fund	01/12/2000	1,522,567,827	0.86730%	Mixed Assets Fund - 61% to 80% Equity	1.31170
Fidelity Stable Growth Fund	01/12/2000	758,703,287	0.88519%	Mixed Assets Fund - 41% to 60% Equity	1.31574
Invesco MPF Conservative Fund	01/12/2000	796,100,710	0.65110%	Money Market Fund - MPF Conservative Fund	0.86674
Schroder MPF Core Accumulation Fund	1/4/2017	918,935,601	0.55794%	Mixed Assets Fund - Default Investment Strategy - Core Accumulation Fund	0.79134
Schroder MPF Age 65 Plus Fund	1/4/2017	391,680,058	0.56189%	Mixed Assets Fund - Default Investment Strategy - Age 65 Plus Fund	0.76247

* FER of the CF is above the respective industry average FER

Note: source of Industry Average FER is from MPFA website (information as of 31 July 2026)

Investment Manager Performance Monitoring

SCT adopted multiple oversight mechanisms on investment managers. For example, the due diligence review on investment manager at constituent funds level covers the governance, internal control and processes, so on and so forth. Furthermore, SCT conducted regular review with the Principal Employer on the appropriateness of the underlying funds choices.

Table 5 - Assessment on Performance of Investment Manager(s)

Name of constituent fund	Investment manager of constituent fund	Investment vehicle	Year of last due diligence review on investment manager of constituent fund	Year of last review on choice of underlying fund(s)
SHKP MPF Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Manulife Career Average Guaranteed Fund - SHKP	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Invesco Global Stable Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Allianz Choice Balanced Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Allianz Choice Stable Growth Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Fidelity Balanced Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026

Table 5 - Assessment on Performance of Investment Manager(s) - continued

Name of constituent fund	Investment manager of constituent fund	Investment vehicle	Year of last due diligence review on investment manager of constituent fund	Year of last review on choice of underlying fund(s)
Fidelity Stable Growth Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Invesco MPF Conservative Fund	Invesco Hong Kong Limited	Invest in HK dollar deposits, HK dollar denominated money market instruments as well as short-dated fixed interest securities.	2025	2026
Schroder MPF Core Accumulation Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026
Schroder MPF Age 65 Plus Fund	N/A	Invest in an approved pooled investment fund managed by a different investment manager (there is no investment manager for CF)	N/A (no investment manager for the constituent fund)	2026

Quality of Services to the Scheme members

The Scheme onboarded to eMPF platform since 2 October 2024 in which eMPF Platform Company Limited ("eMPF PC"), which is a wholly-owned subsidiary of the Mandatory Provident Fund Schemes Authority, is tasked to design, build and operate the eMPF platform. eMPF platform aims to centralise the MPF scheme administration, reshape the ecosystem, and re-engineer the processes and operations through innovative solutions. Various means of communication channels are available to collect feedback from scheme participants, such as, on-site member briefings, call centre, online website and portal. Views and feedbacks from employers and members are discussed in meetings among trustee, employers, and/or eMPF PC and its vendor to assess if enhancement of service is required.

Conclusion

In view of the foregoing, SCT is satisfied that the Scheme provided Value for Money to the Scheme's members for the year ended 31 March 2026, and consistently adopted the monitoring mechanism to improve the governance framework and Value for Money initiative.

(ii) Sustainable Investing Strategy and Implementation Progress

SCT is committed to working with the investment managers of the CFs and/or the underlying funds in the integration of environmental, social and governance ("ESG") factors into the investment and risk management processes in accordance with the MPFA's "Principles for Adopting Sustainable Investing in the Investment and Risk Management Processes of MPF Funds" issued in November 2021.

1. SCT recognizes that ESG factors could be a source of financial risk with a long-term financial impact on the value of MPF investment portfolios. It is therefore in members' interest that ESG factors are taken into account in the investment and risk management processes.
2. SCT would consider the ESG policies and practices adopted by the appointed investment managers of CFs and the underlying funds, to ensure they align with the Scheme's ESG integration strategy.
3. During the process of selecting investment managers of constituent fund and underlying fund levels, SCT requires investment managers to articulate how ESG considerations are integrated to their investment philosophy and process and investment decision making, and how the integration approach can enhance the investment performance and risk management of their strategy. SCT would engage with the investment managers who are signatories (or who is looking to have the signatory) to the United Nations Principles for Responsible Investment ("UNPRI") and/or other reputable industry organisations going forward. Such signatories commit to integrate ESG issues into investment analysis and decision-making processes. SCT has also reminded investment managers to keep abreast of the latest development in sustainability related standards, such as the Hong Kong Taxonomy for Sustainable Finance, the Hong Kong Code of Conduct for ESG Ratings and Data Products Providers, and the HKFRS Sustainability Disclosure Standards.
4. The Board monitors on the ESG integration of the investment managers of the CFs and/or their underlying funds at regular Board meetings.
5. SCT requests information on the ESG policies adopted by the investment managers of the CFs and/or their underlying funds to ensure they align with the Scheme's ESG integration policies. Currently, most of the investment managers of the CFs and/or the underlying funds are signatories to the UNPRI (except for one) which shows evidence of their commitment to comply with the global ESG investment standards and most of the investment managers have dedicated ESG staff conducting scenario analysis on ESG considerations.

6. SCT ascertains from the investment managers how relevant and material ESG factors are taken into account into their investment and risk management processes. The investment managers demonstrated to trustee of their integration of ESG factors and considerations into the investment decision making processes.
7. SCT expects the investment managers to use their influence as institutional investors to pursue SCT's rights and duties as a shareholder including voting, along with, where relevant and appropriate, engaging with the underlying investee companies to promote good corporate governance, accountability and positive change.
8. SCT requires that the investment managers report to SCT on ESG and stewardship matters on a regular basis and be responsive to queries from SCT. The investment managers are also invited to report the ESG related information in the investment committee meeting.
9. SCT will continue to monitor the status and report the ESG integration strategy to the Board.

SCT's ESG integration strategy for the Scheme was formalised and endorsed by the Board since 2022. The governance framework was applied consistently by SCT for the financial year and regularly engaged and encouraged the investment managers on ESG integration.

Board's Endorsement on the Scheme's Governance Report

The Scheme's Governance Report was endorsed by the Board of SCT on 16 September 2026.