KESWICK FOUNDATION LIMITED
(Registered company number 1422314)
(Registered charity number 278449)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2025

KESWICK FOUNDATION LIMITED

DIRECTORS AND OFFICERS

Keswick Foundation Limited was incorporated on 23 May 1979 as a charitable private company limited by shares in England. The Articles of Association of the Company was adopted pursuant to a special resolution of the members of the Company on 24 November 2020. The Directors together with the Executive Committee members who served during 2025 and up to the date of signing the financial statements are listed below. The Articles of Association of the Company allows for a board of not less than two Directors.

Co-founders:

Sir John Keswick
Mrs. Maggie Keswick Jencks

Directors:

Martha KESWICK, Chairman	
Clara Mary WEATHERALL	(resigned on 31 March 2026)
Deming CHEN	
Wai Chi CHOW	
Francine Wing Ting FU KWONG	
Stacey Anne HILDEBRANDT	
Lily Clare JENCKS	
Benjamin William KESWICK	
Clare Jane KESWICK	
Stephen Charles LI	
Neil Michael MCNAMARA	
Angelina Woon Ki YUEN TSANG	
Michael Yuen-jen YAO	
Sharmini Priya CHETWODE	
Qiaobing WU	(appointed on 24 July 2025)
Ruby Susanna WEATHERALL	(appointed on 15 October 2025)
Kathryn Mary GREENBURG	(resigned on 13 March 2025)
Ivor Cosimo JENCKS	(ceased on 13 January 2025)
Christopher Kin Ping LEE	(resigned on 13 March 2025)
Man Yee Grace CHAN	(appointed on 20 August 2026)

Executive Committee:

Michael Yuen-jen YAO, Chairman	
Angelina Woon Ki YUEN TSANG	
Martha KESWICK	
Deming CHEN	
Wai Chi CHOW	
Francine Wing Ting FU KWONG	
Stacey Anne HILDEBRANDT	
Stephen Charles LI	
Neil Michael MCNAMARA	
Sharmini Priya CHETWODE	
Qiaobing WU	(appointed on 24 July 2025)
Ruby Susanna WEATHERALL	(appointed on 15 October 2025)
Kathryn Mary GREENBURG	(resigned on 13 March 2025)
Ivor Cosimo JENCKS	(ceased on 13 January 2025)
Christopher Kin Ping LEE	(resigned on 13 March 2025)
Man Yee Grace CHAN	(appointed on 20 August 2026)

Company Secretary:

Jonathan Lloyd	(resigned on 7 May 2026)
Sean Christopher WARD	(appointed on 7 May 2026)

Principal place of business:	5th Floor, FWD Tower Taikoo Place 979 King's Road, Quarry Bay Hong Kong
Independent auditors:	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH United Kingdom
Bankers:	The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong BNP Paribas Hong Kong Branch 63/F, Two Int'l Finance Centre 8 Finance Street Central Hong Kong Mizuho Bank, Ltd., Hong Kong Branch (incorporated in Janpan with Limited Liability) 12/F, K11 Atelier 18 Satisbury Road, Tsim Sha Tsui Kowloon, Hong Kong
Registered office:	12 Upper Grosvenor Street London W1K 2ND United Kingdom

KESWICK FOUNDATION LIMITED

DIRECTORS' REPORT

The Directors of the Company, who are also the trustees for the purpose of UK Charity Law, submit their annual report and the Company's audited financial statements for the financial year ended 31 December 2025.

The annual report and financial statements for the year ended 31 December 2025 have been prepared on a going concern basis, under the historical cost convention as modified by revaluation of investments, in compliance with the Companies Act 2006, the Charities Act 2011, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Statement of Recommended Practice 'Accounting and Reporting by Charities FRS 102' as revised in 2019 ("the SORP 2019"). The principal accounting policies, which have been applied consistently throughout the year, including changes arising on the adoption of Charities SORP. As the Company is a small company (as defined in section 382 of the Companies Act 2006), the Company applies the exemption not to prepare a strategic report.

Organisational Structure

The Board of Directors oversees the management, policy and planning of the Company. The projects and their funding have to be reviewed and approved by the Executive Committee to ensure proper allocation of resources. Max Wong, the Executive Director, who is an employee of the Company, provides supporting services to the administration office of the Company and funding projects.

The Company is registered as a charity (registered number: 278449) under the Charities Act 2011. The objects of the Company are to help to support those in need in Hong Kong and mainland China by assisting pilot projects relating to human welfare.

Objectives and Activities for the Public Benefit

When reviewing the Company's activities, the Directors have taken into consideration of the Charity Commission's guidance on public benefit disclosure and believe the activities of the Company inherently meet the requirements given the nature of grants awarded to other charitable organisations.

The Company's mission is to support, nurture and promote charitable bodies that address social needs in Hong Kong and mainland China. The Company funds pilot projects/new services and long-term strategic initiatives. The projects that fill service gaps and address specific social needs would also be considered. The Company funding may cover recurrent, programme, or exceptionally, capital costs.

The nature of services to be focused on by the Company includes elderly, youth/children, family and disability.

Grant Making Policy

The Executive Committee is responsible for approving the funding applications and will look at new funding applications throughout the year. All new applications will be firstly screened through vetting meetings formed by at least 3 Executive Committee Members. The objectives of the vetting meeting are (a) to turn down irrelevant applications; (b) to approve certain straight forward applications, each project under HK$500,000 per year; and (c) to make recommendations for further consideration by the Executive Committee of projects determined to be worthwhile. Those shortlisted proposals will be submitted to the Executive Committee for consideration and approval.

Achievements and Performance

In 2025, the Company donated a total of HK$25.5 million (2024: HK$29.6 million) to 38 charity projects (2024: 40 charity projects) in Hong Kong and mainland China.

The projects covered a wide range of services, such as support for disadvantaged youth and families as well as capacity building for professionals in mainland China. Here are some of the highlights:

- HKD9,978,277 has been committed to The Hong Kong Society for Rehabilitation to support individuals with Motor Neurone Disease (MND) and their carers through an innovative model across all seven Hospoital Authority clusters. The initiative includes subsidised care services, an MND equipment bank, psychosocial support, educational workshops and policy advocacy to ensure long term sustainability.

- RMB2,261,163 has been committed to Handou Pathway to Success to advancing vocational rehabilitation for people with intellectual disabilities in Shandong Province, China from 2025 onwards. The funding will provide holistic vocational rehabilitation and household-based support, particularly for rural communities, to promote sustainable employment and uplift the well-being of participating families. With KF's support, the project has secured a 4,000-square-metre premises from the local government to expand services. The project has created new partnership opportunities between KF and the Shandong Social Work Department.

In 2026, the Company will continue supporting pilot projects that address service gaps and facilitating long-term and impactful service development, particularly for small organisations.

Financial Position

The Company had a net unrestricted surplus for the year of HK$18,235,805 (2024: HK$14,125,663). After taking into consideration of net gain of revaluation of investments of HK$548,699,233 (2024: net loss of HK$10,075,206), the Company had a net surplus for the year of HK$566,935,038 (2024: HK$4,050,457).

Investment income from dividends for 2025 amounted to HK$45,089,270 (2024: HK$44,987,077). During the year, the Company made grants of HK$25,549,674 (2024: HK$29,577,217).

Under the Company's Memorandum of Association, the income and property of the Company shall be applied solely towards the promotion of its objects and no portion shall be paid or transferred, directly or indirectly by way of dividend, bonus or profit to members of the Company. Furthermore, no member of the board shall be paid salary or fees or receive any remuneration or other benefit in money or money's worth from the Company except for the reasonable payment of expenses.

Investment Policy and Performance against the Policy

In furtherance of the objects, the Company may invest the monies of the Company not immediately required in or on such investments, securities or property as may be thought fit, provided such consent and conditions as required by laws have been obtained and fulfilled.

The Directors determine the acquisitions and disposals of investments in order to maintain the income required for the charitable projects. In accordance with the instructions of the founders, the shares in Jardine Matheson Holdings Limited ("JMH"), which are held within the Endowment Fund, are the only investments held by the Company in that Fund. Such investments are to be kept intact and only the income from these investments will be used by the Company to distribute to charities and other organisations of its choice. For investments held in unrestricted funds, dividends and sales proceeds received from the shares continue to provide the income to enable the Company to carry out its charitable activities. The Directors periodically review the performance of the portfolio to ensure that it continues to provide the most appropriate investment for the Company's requirements.

Risks faced by the Charity

The Directors are responsible for the identification and management of risks, and have taken steps to ensure that controls are in place to mitigate them. There is market price risk in association with the investment held by the Company. However, the Directors consider the investment to be low risk and highly regarded when compared with benchmark investment indices. Review of the risks is conducted regularly to monitor the controls in place and the performance of JMH shares is reviewed annually by the Directors. The Company is also exposed to liquidity risk in respect of the payments of committed projects, but it manages its liquidity requirements through maintaining sufficient cash and disposal of unrestricted investments when additional cash is required.

Reserves

Most of the Company's funds are held either as a permanent endowment or as funds designated for specific purposes. The Company's policy is to maintain a minimum level of non-designated unrestricted funds equal to six months' general expenditure. At the year-end, unrestricted funds which have not been designated amounted to HK$106,234,187 (2024: HK$90,929,192). The large amount of non-designated unrestricted funds was discussed and allocated for special projects that would better serve society. The reserves policy is reviewed regularly by the Directors.

Directors' Appointments

The first Directors were appointed by the subscribers.

The Company may, by ordinary resolution, appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director. The Directors may also appoint a person who is willing to act as an additional Director.

On appointment, the Executive Director will have a briefing session with the new Director on board to explain his/her roles and responsibilities.

The current Directors, and those who served during the year, are listed on page 1.

Statement of Directors' Responsibilities

The Directors of Keswick Foundation Limited for the purposes of company law are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and the Republic of Ireland", and applicable law).

Under company law, the Directors must not approve the financial statemetns unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclosure with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each Director in office at the date the Directors' report is approved, that:

(a) so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

The members amended the Articles of Association on 24 February 2025 inter alia, dispensing with the requirement of holding Annual General Meetings and approved that the auditors of the Company will automatically be deemed re-appointed unless sufficient members have given notice to the Company under section 488 of the Companies Act.

On behalf of the Board



Michael Yuen-jen YAO
Director

HONG KONG, 23 September 2026

Independent auditors' report to the members of Keswick Foundation Limited

Report on the audit of the financial statements

Opinion

In our opinion, Keswick Foundation Limited's charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2025 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2025; the Statement of Financial Activities, the Summary Income and Expenditure Account, and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Directors' Report for the period ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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 directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the charitable company and its industry/environment, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to misappropriation of assets. Audit procedures performed by the engagement team included:

- identifying and testing journal entries, specifically journal entries posted with unusual account combinations to cash accounts;
- enquiring of management and the Directors of any instances of known or suspected non-compliance with laws and regulations and fraud;
- reading minutes of the meetings of the board of Directors;
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations; and
- incorporated an element of unpredictability into the nature, timing and extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these

opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Nicola Bass (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 September 2026

KESWICK FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted Funds 2025 HK$	Permanent Endowment Fund 2025 HK$	Total Funds 2025 HK$	Total Funds 2024 HK$
Donations	4	1,378,792	-	1,378,792	1,465,696
Investment income	5	45,089,270	-	45,089,270	44,987,077
Interest income	6	3,101,196	-	3,101,196	3,752,126
Total income		49,569,258	-	49,569,258	50,204,899
Expenditure on raising funds		(7,347)	-	(7,347)	(13,120)
Expenditure on charitable activities	7	(31,940,973)	-	(31,940,973)	(34,976,075)
Total expenditure		(31,948,320)	-	(31,948,320)	(34,989,195)
Net surplus before net loss on investments		17,620,938	-	17,620,938	15,215,704
Net foreign exchange gain/(loss)		614,867	-	614,867	(1,090,041)
Net revaluation gain/(loss) on Investments	13	-	548,699,233	548,699,233	(10,075,206)
Net surplus		18,235,805	548,699,233	566,935,038	4,050,457
Net movement in funds		18,235,805	548,699,233	566,935,038	4,050,457
Fund balances brought forward		104,005,326	815,083,381	919,088,707	915,038,250
Fund balances carried forward		122,241,131	1,363,782,614	1,486,023,745	919,088,707

All amounts relate to continuing operations. There were no other recognised gains or losses.

Income and expenditure in 2025 were attributable to unrestricted funds, apart from net revaluation gain on investment of HK$548,699,233 which was attributable to the permanent endowment fund.

The notes on page 14 to 21 form part of these financial statements.

KESWICK FOUNDATION LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	HK$	HK$
Total income	49,569,258	50,204,899
Cost of generating funds	(7,347)	(13,120)
Cost of grant making	(31,783,877)	(34,732,075)
Governance costs	(157,096)	(244,000)
Total expenditure	(31,948,320)	(34,989,195)
Net foreign exchange gain/(loss)	614,867	(1,090,041)
Net surplus of the year	18,235,805	14,125,663

The notes on page 14 to 21 form part of these financial statements.

KESWICK FOUNDATION LIMITED

BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 HK$	2024 HK$
Fixed assets			
Investments	13	1,363,781,227	815,081,994
Current assets			
Debtors	14	910,668	68,341
Short-term cash deposits	15	74,078,764	34,472,799
Cash at bank and in hand	16	47,299,720	69,890,239
Total current assets		122,289,152	104,431,379
Current liabilities			
Accruals and other payables	17	(46,634)	(424,666)
Net current assets		122,242,518	104,006,713
Total assets less current liabilities		1,486,023,745	919,088,707
Net assets		1,486,023,745	919,088,707
Funds:			
Permanent endowment fund	18	15,370,847	15,370,847
Revaluation reserve	19	1,348,411,767	799,712,534
Permanent endowment fund	18 & 19	1,363,782,614	815,083,381
Unrestricted funds:			
Called up share capital	20	1,102	1,102
Designated funds	21	16,006,944	13,076,134
Other charitable funds	21	106,233,085	90,928,090
		122,241,131	104,005,326
Total Funds	22	1,486,023,745	919,088,707

The financial statements on pages 10 to 21 were approved by the Board on 23 September 2026 and signed on its behalf by :

Michael Yao

Michael Yuen-jen YAO
DIRECTOR

Martha keswick

Martha KESWICK
DIRECTOR

The notes on page 14 to 21 form part of these financial statements.

KESWICK FOUNDATION LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 HK$	2024 HK$
Cash flows from operating activities		
Net unrestricted surplus	18,235,805	14,125,663
Net foreign exchange (gain)/loss	(614,867)	1,090,041
Investment income	(45,089,270)	(44,987,077)
Interest income	(3,101,196)	(3,752,126)
(Increase)/decrease in debtors	(153)	117
(Decrease)/increase in accruals and other payables	(378,032)	351,166
Net cash used in operating activities	(30,947,713)	(33,172,216)
Cash flows from investing activities		
Dividends received	45,089,270	44,987,077
Short-term cash deposits placed	(74,078,764)	(71,743,061)
Short-term cash deposits matured	34,472,799	45,280,335
Interest received	2,259,022	3,960,641
Net cash provided by investing activities	7,742,327	22,484,992
Change in cash and cash equivalents due to exchange rate movements	614,867	(1,090,041)
Change in cash and cash equivalents in the financial year	(22,590,519)	(11,777,265)
Cash and cash equivalents at the beginning of the financial year	69,890,239	81,667,504
Cash and cash equivalents at the end of the financial year *	47,299,720	69,890,239

* The components of cash and cash equivalents at the end 2025 were HK$1,461,000, RMB8,554,280 and US$4,665,167 (2024: HK$3,688,775, RMB13,386,881 and US$6,690,962).

The notes on page 14 to 21 form part of these financial statements.

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and with the Statement of Recommended Practice 'Accounting and Reporting by Charities' FRS 102 as revised in 2019 ('the SORP 2019'), together with the reporting requirements of the Companies Act 2006, and the Charities Act 2011. The Company has adapted the Companies Act formats to reflect SORP 2019 and the special nature of the Company's activities.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of listed investments.

The Directors have prepared the financial statements on a going concern basis since they have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the signing of these financial statements.

Further stress testing has been carried out to ensure that the Company has sufficient cash resources to continue operate for at least 12 months from the date of signing of the financial statements. The stress testing considered a severe downside however despite the extremely low probability of such an event happening the Company will still have a positive cash surplus at the end of the 12-month period from the signing of the financial statements.

(b) Investment income

Dividend income from investments is recognised when the dividend is declared.

(c) Interest income

Interest income is recognised over time on a time apportioned basis.

(d) Donation

Donations are included in the financial statements at their value to the charity agreed by the counterparty, unless it is not possible to quantify that value. Donations are credited to income on a receivable basis. The audit fee is derived from the audit hours and hourly charge out rate.

(e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under appropriate headings in the financial statements.

Cost of generating funds represents bank charges for administration of investments. Costs of charitable activities include grants made and support costs as shown in note 7. Governance costs comprise all costs involving the public accountability of the Company and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

(f) Grants

Grants are included in the statement of financial activities in the accounting period in which they are approved by the Executive Committee as unconditional and communicated with the recipient. Grants approved which have conditions attached are initially recorded as commitments and are only included in the statement of financial activities when the conditions have been met.

(g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and other short-term highly liquid investment with original maturities of three months less and bank overdraft.

(h) Short-term deposit

Short-term deposit is restricted cash and bank balances that are not available for use within three months from the balance sheet date are excluded from cash and cash equivalents.

(i) Debtors

Debtors mainly represent the interest receivable which is recognised on a time-proportion basis using the effective interest method. Balance expected to be collected within 12 months are classified as current; amounts due after more than 12 months are presented as non-current. Amounts are written off when there is no reasonable expectation of recovery.

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Investments

The Company's investments are measured at fair value. The investments' fair value is measured by the listed share price.

Realised and unrealised gains or losses on investments are accounted for within the fund that owns the investments.

(k) Funds

The Company maintains the following types of funds:

Permanent endowment funds which comprises gifts from donors where the donor has specified that the capital must be retained in perpetuity but the income earned on it is for the general use of the charity. Such income is credited to unrestricted funds.

Designated funds are unrestricted funds earmarked by the Directors for specific purposes.

Other charitable funds represents all other funds, which can be used by the Directors for any purpose to further the charity's objectives.

(l) Pension

The Company's contributions to the Mandatory Provident Fund (the "MPF") are expensed as incurred and are 100% vested in the employees as soon as they are paid to the MPF. The Company contributes 10% of the employees' gross salary. The MPF is a defined contribution retirement scheme administered by independent trustees. Differences between contributions payable in the year and the contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(m) Translation of foreign currencies

The Company's functional currency is Hong Kong dollars. Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange rulin at the balance sheet date. Exchange differences arising in these cases are recorded in the statement of financial activities.

2 CRITICAL ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The Company makes assumptions, estimates, judgements in the process of applying the Company's accounting policies that affect the assets, liabilities, income and expenditure in the financial statements prepared in accordance with the Charities SORP 2019. The assumptions, estimates and judgements are based on historical evidence and other factors that are believed to be reasonable under circumstances. While the Directors review their judgements, estimates and assumptions continuously, the actual result will seldom be equal to the estimates. The Directors do not consider there to be any matters of significant judgement or estimation made during the financial year.

3 FINANCIAL RISK FACTOR

(a) Market risk

The Company's activities expose it to foreign exchange risk. This risk is minimised by the Foundation's financial management policies and practices described below.

(i) Foreign exchange risk

The foreign exchange risk mainly arises on the financial assets denominated in USD and RMB. As at 31 December 2025, if USD strengthened/weakened against Hong Kong dollar by 1%, net surplus for the year would have been HK$14,750,757 (2024: HK$9,015,731) higher/lower as a result of foregin exchange gain/loss and net revaluation gain/loss on investment on translation of that balance. The financial assets would have been HK$14,750,757 (2024: HK$9,015,731) higher/lower. If RMB strengthened/weakened against Hong Kong dollar by 4%, net surplus for the year would have been HK$381,012 (2024: HK$569,746) higher/lower as a result of foreign exchange gain/loss on translation of that balance. The financial assets would have been HK$381,012 (2024: HK$569,746) higher/lower.

4 DONATIONS

During 2025, Jardine Matheson Holdings Limited donated HK$1,116,792 (2024: HK$1,221,696) of office rental to the Company. The audit fee of HK$262,000 (2024: HK$244,000) is derived from the audit hours incurred and hourly charge out rate. As the auditors have waived the fee, an amount to offset the nominal charge has been treated as a donation service and credited to the income and expenditure account.

5 INVESTMENT INCOME

	2025	2024
	HK$	HK$
Dividend from Jardine Matheson Holdings Limited	45,089,270	44,987,077

6 INTEREST INCOME

	2025	2024
	HK$	HK$
Fixed deposit interest from BNP Paribas Hong Kong Branch	2,489,600	3,752,126
Fixed deposit interest from Mizuho Bank, Ltd., Hong Kong Branch	611,596	-
	3,101,196	3,752,126

Interest received mainly from USD time deposits of HK$74,078,764 as at 31st December 2025 (2024: HK$71,743,061) and the interest rate obtained in 2025 was 3.75% - 4.23% (2024: 4.05% - 5.51%).

7 EXPENDITURES ON CHARITABLE ACTIVITIES

	Note	2025 HK$	2024 HK$
Grants paid / payable	8	25,549,674	29,577,217
Support costs	9	6,391,299	5,398,858
		31,940,973	34,976,075

8 GRANTS PAID / PAYABLE

Grants paid / payable are payments made to specific charitable projects as approved by the Directors. The following is a list of grants paid / payable during the year:-

Name of recipient (each recipient below received one grant except where detailed):		2025 HK$	2024 HK$
Caritas Hong Kong	- Our Common Home	993,649	2,980,944
CareER Association Limited		1,134,646	-
Christian Fellowship of Pastoral Care for Youth Ltd		229,166	500,000
Concern Mental Health Alliance Ltd		651,741	725,573
Evangelical Lutheran Church Social Service, Hong Kong		-	1,918,792
Fullness Social Enterprises Society Ltd		126,347	704,000
Hong Chi Association		1,086,800	-
Hong Kong Lutheran Social Service, Sunshine Lutheran Centre		526,843	904,415
Hong Kong Neuro-Muscular Disease Association		249,940	249,940
Hong Kong Social Workers Association	- Best Practice Competence Model Project (Phase II)	551,644	2,167,405
	- Ethnically Diverse Communities Project	1,279,562	-
Just Feel Limited		991,916	1,131,466
Kellett Foundation Limited		125,000	-
Love 21 Foundation Limited		911,976	-
Maggie's Cancer Caring Centre		-	1,000,000
MercyHK2020 Limited		-	223,595
Migrasia Global Solutions Limited		-	867,568
Music Flow Limited		-	930,064
Run Hong Kong Ltd		133,343	133,344
Teen's Key - Young Women Development Network Limited		326,289	569,363
The Ebenezer School & Home for the Visually Impaired Ltd		199,595	266,047
The Hong Kong Polytechnic University	- SLLO (Capacity Building Scheme for Secondary School Teachers)	-	1,133,014
	- Consultancy Research Project (Career Development Framework 2.0)	669,100	-
The Hong Kong Society of Rehabiliation		2,516,565	-
The Ruttonjee Hospital Chaplaincy Committee	- Chaplaincy Service	297,188	382,741
The Society of Rehabilitation and Crime Prevention, Hong Kong	- Project Hope Net	1,041,074	1,041,074
Uplifters Limited		372,022	-
ME Creative Productions Limited		63,200	-
Champion for Change Award II	- ME Creative Productions Ltd.	-	17,200
Covid-19 short-term fund	Hong Kong Social Workers Association	-	200,000
	PolyU-Covid-19 Short-term Fund IV project	-	172,320
	Sunbeam Children's Foundation	-	107,940

8 GRANTS PAID / PAYABLE (CONTINUED)

		2025 HK$	2024 HK$
Name of recipient (each recipient below received one grant except where detailed) (Continued):			
Tai Po Fire Crisis Response Fund	Hong Kong Lutheran Social Service, Church	100,000	-
	The Hong Kong Federation of Youth Groups	200,000	-
Recognition Award		50,000	-
China Project			
Beijing Service Centre for Overseas NGO	- China Social Work Research Journal Publication Project	222,291	978,617
	- Standing by Brave Little Hearts	817,973	-
China Association of Social Work Education	- Enhancing the Quality of MSW Education and Development Project	475,875	170,645
	- International Association of School of Social Workers	202,569	404,603
China Social Work Academy	- Social Work Station Building	1,410,004	1,851,724
Handou Home Disability Assistance Centre	- Initiative for People with Intellectual Disabilities Project	1,234,821	-
Huazhong Agricultural University	- Capacity Building for Disaster Social Work Project	(2,058)	161,955
Guangzhou Yang Ai	- Covid-19 Short-term Fund IV project	-	108,890
	- O2O Resource and Support Pilot Project	495,393	488,271
Shanxi Jia Yuen Hui Social Work Service Centre		215,920	-
The Hong Kong Polytechnic University	- APPS (Building for DSW Educators in Mainland China)	2,060,720	1,054,538
	- APPS (China Social Work Project Fund III)	8,104	616,390
	- APPS (DSW Round I)	330,740	806,680
	- APPS (DSW Round II)	1,207,200	603,600
	- APPS (Nurturing New Generation of Social Work Teachers)	-	269,481
	- APPS (Social Work Station - Training Series)	-	161,910
	- RS (Love without Boarders)	-	253,000
	- RS (The 3A Blueprint for Community Rehabilitation)	1,668,000	1,535,365
World Vision China Foundation Ltd	- Guarding the Futures Child Protection	-	613,764
	- One time contingency fund for Gansu Earthquake	-	402,893
Response to Gansu Earthquake Fund	- Huazhong Agricultural University	52,056	162,195
	- The Hong Kong Polytechnic University (RS)	-	545,400
China Monitoring Expenses		322,460	141,847
Refund of unused amount from completed projects		-	(81,356)
		25,549,674	29,577,217

The Company has not awarded any grants to individuals during 2025 (2024: nil).

9 SUPPORT COSTS

	Note	2025 HK$	2024 HK$
Staff costs	10	4,160,060	3,211,595
Printing and stationery		4,710	9,188
Website		133,721	30,590
Office equipment expensed		26,600	85,855
Travelling expenses		111,153	46,305
Audit fee		262,000	244,000
Project of building KF archive		1,508	250,000
Legal and professional fee		176,534	-
Office rental		1,116,792	1,221,696
Sundry expenses		398,221	299,629
		6,391,299	5,398,858

All support costs have been allocated to charitable activities.

10 STAFF COSTS

	2025 HK$	2024 HK$
Wages, salaries and other benefits	3,714,060	3,148,449
Pension costs	446,000	63,146
	4,160,060	3,211,595

One employee's emolument fell within the band GBP150,001 - GBP200,000 in 2025 (2024: GBP140,001 - GBP150,000: one). One employee's emolument fell within the band GBP60,001 - GBP70,000 in 2025 (2024: GBP60,001 - GBP70,000: one).

The average number of employees during the year was 5 (2024: 5).

Defined contribution pension plan of HK$46,634 remains unpaid as at 31 December 2025 (2024: HK$33,639).

The above numbers do not include Directors who are not permitted to receive remuneration for their duties.

11 DIRECTORS' REMUNERATION

None of the Directors received any remuneration or reimbursement of expenses in respect of their services rendered to the Company during the year (2024: nil).

12 TAXATION

The Company is exempted from Hong Kong profits tax under Section 88 of the Inland Revenue Ordinance (Cap. 112).

The Company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, carried on in furtherance of the Company's primary objectives, if these profits are applied solely for charitable purposes.

No United Kingdom corporation tax liability arises for the year (2024: nil).

13 INVESTMENTS

Investments represent shares in Jardine Matheson Holdings Limited ("JMH"), a company listed on the London Stock Exchange.

Movements for the year:	2025 HK$	2024 HK$
At 1st January	815,081,994	825,157,200
Net revaluation gain/(loss)	548,699,233	(10,075,206)
At 31st December	1,363,781,227	815,081,994
Historical cost as at 31st December	15,369,460	15,369,460
Revaluation gains at 31st December	1,348,411,767	799,712,534

The above unrealised gain relates to the endowment fund. The Directors believe that the carrying value of the investment is supported by its underlying net assets.

14 DEBTORS

	2025 HK$	2024 HK$
Interest receivable	907,207	65,033
Cash advances	3,461	3,308
	910,668	68,341

Interest received mainly from USD time deposits of HK$74,078,764 as at 31st December 2025 (2024: HK$71,743,061) and the interest rate obtained in 2025 was 3.75% - 4.23% (2024: 4.05% - 5.51%).

15 SHORT-TERM CASH DEPOSITS

	2025 HK$	2024 HK$
At 31 December	74,078,764	34,472,799

16 CASH AT BANK AND IN HAND

	2025 HK$	2024 HK$
At 31 December	47,299,720	69,890,239

The carrying amount of the Company's cash at bank and in hand are denominated in Hong Kong dollar, Renminbi and United States dollar.

17 ACCRUALS AND OTHER PAYABLES

	2025 HK$	2024 HK$
Huazhong Agricultural University - Capacity Building for Disaster Social Work Project	-	162,195
Huazhong Agricultural University - Gansu Earthquake Fund	-	161,955
Petty cash reimbursement	-	66,877
Employer's contribution of MPF expenses	46,634	33,639
	46,634	424,666

18 PERMANENT ENDOWMENT FUND

Permanent endowment funds of the Company represent the JMH shares accepted by the Directors as a gift on 19 October 1979 and 4 December 2000. The value of the shares received on those dates were HK$15,250,000 and HK$120,847 respectively. The Directors hold this investment as a fund to provide income for the charitable purpose of the Company and this amount has therefore been credited to capital reserves. The revaluation reserve of the Company comprises the cumulative net change in the fair values of the JMH shares which is shown in the Note 19.

19 REVALUATION RESERVE

	2025 HK$	2024 HK$
At 1 January	799,712,534	809,787,740
Net revaluation gain/(loss) during the year	548,699,233	(10,075,206)
At 31 December	1,348,411,767	799,712,534

20 CALLED UP SHARE CAPITAL

	2025	2024
	HK$	HK$
Authorised, allotted and fully paid:		
100 (2024: 100) ordinary shares of £1 each	1,102	1,102

21 DESIGNATED FUNDS AND OTHER CHARITABLE FUNDS

The unrestricted funds of the Company represent the accumulated net income and unrealised gains on revaluation of investments which are not related to the permanent endowment funds. The unrestricted funds are further classified as designated funds for specific charitable projects which are approved by the Directors and other charitable funds.

	2025	2024
Designated funds	HK$	HK$
At 1 January	13,076,134	26,359,384
Designations	28,480,484	16,293,967
Utilised during the year	(25,549,674)	(29,577,217)
At 31 December	16,006,944	13,076,134

	2025	2024
Other charitable funds	HK$	HK$
At 1 January	90,928,090	63,519,177
Net incoming resources before revaluations and grants paid	43,785,479	43,702,880
Designations	(28,480,484)	(16,293,967)
At 31 December	106,233,085	90,928,090

22 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Permanent endowment funds	Total funds
	2025	2025	2025
	HK$	HK$	HK$
Investments	-	1,363,781,227	1,363,781,227
Current assets	122,287,765	1,387	122,289,152
Current liabilities	(46,634)	-	(46,634)
Net assets	122,241,131	1,363,782,614	1,486,023,745

	2024	2024	2024
	HK$	HK$	HK$
Investments	-	815,081,994	815,081,994
Current assets	104,429,992	1,387	104,431,379
Current liabilities	(424,666)	-	(424,666)
Net assets	104,005,326	815,083,381	919,088,707

23 COMMITMENTS

	2025	2024
	HK$	HK$
Within one year	16,006,944	13,076,134
Between one and five years	25,473,161	20,778,158
	41,480,105	33,854,292

Of the commitments within one year at 31 December 2024, HK$14,822,089 was paid during the year.

These commitments are grants approved by the Executive Committee, donate to organisations and subject to terms and conditions stated in the grant letters.

24 RELATED PARTY TRANSACTIONS

Certain members of the Board of Directors are directors of JMH or affiliated with the directors of JMH. Dividend income of HK$45,089,270 (2024: HK$44,987,077) was received from the investment in JMH. Devon House rent of HK$1,116,792 was donated from JMH in 2025 (2024: HK$1,221,696).

25 EVENTS OCCURRING AFTER THE REPORTING PERIOD

In April 2026, the Company entered into a new three years office lease with The Dairy Farm Company Limited at a monthly rent of HK$91,000 commencing in 1 May 2026 (total undiscounted lease payments of approximately HK$3.3 million). From lease commencement, the Company will incur cash rental outflows of approximately HK$1.1 million per annum and will recognise a right-of-use asset and corresponding lease liabilitiy inaccordance with applicable accounting standards.

In December 2025, the Company signed a memorandum of understanding ("MOU") with Mindset Limited (Mindset"), a mental health charity founded by Jardine Matheson in 2022 and registered in Hong Kong. The MOU set out the transition and integration of certain Mindset projects to the Company, to further extend and strengthen Mindset's mental health impact across Hong Kong. As at the date these financial statements were signed, the majority of transition and integration activities had been completed during 2026 and the related projects were being operated by the Company. In support of the transition, Jardine Matheson Limited (another JMH Group company) agreed to provide the Company with funding of up to US$1,000,000 per year for three years, commencing on 1 April 2026.

Because these events relate to conditions arising after the reporting date, they are non-adjusting events. Accordingly, no adjustments have been made to these financial statements.