



興證國際金融集團有限公司

China Industrial Securities International Financial Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code : 6058

*CONNECTING
GLOBAL CAPITAL
CREATE WEALTH
WITH WISDOM*



INTERIM REPORT 2025



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Corporate Information

BOARD OF DIRECTORS

Non-executive Director

Mr. Xiong Bo (*Chairman*)

Executive Director

Ms. Zhang Chunjuan (*Chief Executive Officer*)

Independent Non-executive Directors

Mr. Chan Ho Wing (Appointed on 16 May 2025)

Mr. Tian Li

Ms. Du Li (Appointed on 16 May 2025)

Ms. Hong Ying (Resigned on 16 May 2025)

Mr. Qin Shuo (Resigned on 16 May 2025)

BOARD COMMITTEES

Audit Committee

Mr. Chan Ho Wing (*Chairman*) (Appointed on 16 May 2025)

Ms. Hong Ying (*Chairlady*) (Resigned on 16 May 2025)

Mr. Xiong Bo

Mr. Tian Li

Remuneration Committee

Mr. Tian Li (*Chairman*)

Mr. Xiong Bo

Ms. Du Li (Appointed on 16 May 2025)

Mr. Qin Shuo (Resigned on 16 May 2025)

Nomination Committee

Mr. Xiong Bo (*Chairman*)

Mr. Tian Li

Ms. Du Li (Appointed on 16 May 2025)

Mr. Qin Shuo (Resigned on 16 May 2025)

COMPANY SECRETARY

Ms. Tsang Wing Man

AUTHORISED REPRESENTATIVES

Ms. Zhang Chunjuan

Ms. Tsang Wing Man

AUDITOR

KPMG

*Public Interest Entity Auditor registered in accordance with
the Accounting and Financial Reporting Council Ordinance*

REGISTERED OFFICE

PO Box 1350

Windward 3, Regatta Office Park

Grand Cayman KY1-1108

Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

32/F, Infinitus Plaza

199 Des Voeux Road Central

Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

CAYMAN ISLANDS SHARE REGISTRAR

Vistra (Cayman) Limited

P.O. Box 31119 Grand Pavilion

Hibiscus Way, 802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Industrial Bank Co., Ltd., Hong Kong Branch

The Hongkong and Shanghai Banking Corporation Limited

Standard Chartered Bank (Hong Kong) Limited

CMB Wing Lung Bank Limited

Shanghai Pudong Development Bank Co., Ltd., Hong Kong Branch

China Everbright Bank Co., Ltd., Hong Kong Branch

Chiyu Banking Corporation Limited

China Minsheng Bank Corp., Ltd., Hong Kong Branch

Nanyang Commercial Bank, Limited

China Zheshang Bank Co., Ltd, Hong Kong Branch

WEBSITE

www.xyzq.com.hk

STOCK CODE

6058



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The board of directors (the "Board") of China Industrial Securities International Financial Group Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025 together with the comparative figures as follows:

	Notes	For the six months ended 30 June	
		2025 HK\$ Unaudited	2024 HK\$ Unaudited
Commission and fee income	3	160,282,624	141,299,173
Interest revenue	3	117,922,649	72,773,734
Net trading and investment income	3	120,046,994	204,802,065
Total revenue	3	398,252,267	418,874,972
Other income	3	78,682,788	102,627,933
Finance costs		(240,686,439)	(232,062,063)
Commission and fee expenses		(16,003,107)	(44,639,184)
Staff costs	5	(90,122,845)	(101,204,007)
Other operating expenses		(61,755,055)	(57,300,117)
Reversal of impairment losses on financial assets	5	2,056,386	11,239,922
Other gains or losses	5	52,826,614	(735,234)
Profit before taxation	5	123,250,609	96,802,222
Taxation	6	(20,318,855)	(8,133,005)
Profit for the period		102,931,754	88,669,217
Attributable to:			
Owners of the Company		102,931,754	88,669,217
Earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted (expressed in HKD)	8	0.0142	0.0182



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Profit for the period	102,931,754	88,669,217
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
– Equity instruments designated at fair value through other comprehensive income		
– Changes in fair value	46,050,894	26,021,792
– Income tax impact	239,403	(4,088,574)
Items that may be reclassified subsequently to profit or loss:		
– Debt investments at fair value through other comprehensive income		
– Changes in fair value	28,032,704	24,859,410
– Reclassification adjustment to profit or loss on disposal	(2,080,905)	(2,450,418)
– Income tax impact	(1,067,031)	(3,677,927)
Other comprehensive income for the period, net of tax	71,175,065	40,664,283
Total comprehensive income for the period	174,106,819	129,333,500
Attributable to:		
Owners of the Company	174,106,819	129,333,500

The notes on pages 9 to 29 form part of this interim financial report.



Condensed Consolidated Statement of Financial Position

		As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
	Notes		
Non-current assets			
Property and equipment		26,837,593	37,006,105
Intangible assets		9,684,930	11,448,338
Financial assets at fair value through profit or loss	9	9,960,794	10,908,359
Debt investments at amortised cost	11	2,210,958,551	690,934,760
Reverse repurchase agreements		90,599,030	92,700,369
Statutory deposits		13,722,661	20,723,815
Deferred tax assets		73,527,895	93,974,695
Deposits, other receivables and prepayments		6,393,746	6,403,751
		2,441,685,200	964,100,192
Current assets			
Accounts receivable	12	1,379,177,656	1,171,860,830
Financial assets at fair value through profit or loss	9	6,284,497,750	4,373,209,742
Financial assets at fair value through other comprehensive income	10	5,466,977,543	4,941,786,306
Debt investments at amortised cost	11	85,797,931	84,222,555
Statutory deposits		9,143,613	9,796,173
Deposits, other receivables and prepayments		334,304,711	387,514,648
Tax receivable		1,265,569	7,967,063
Bank balances – trust accounts		2,628,828,222	1,831,016,133
Bank balances – general accounts and cash		2,269,418,398	1,961,292,282
		18,459,411,393	14,768,665,732
Current liabilities			
Accounts payable	14	3,553,252,834	2,246,110,797
Accruals and other payables		114,707,992	124,641,261
Amount due to a related party		4,873,605	4,002,026
Contract liabilities		1,256,848	1,355,175
Tax payable		1,222,194	6,826,313
Financial liabilities at fair value through profit or loss	13	40,515,958	26,180,966
Repurchase agreements		6,191,119,767	5,108,975,622
Bank borrowings	15	5,014,302,091	2,621,311,780
Notes	16	63,141,669	60,960,087
Lease liabilities		19,289,126	19,365,469
Other liabilities		102,644,028	96,457,776
		15,106,326,112	10,316,187,272
Net current assets		3,353,085,281	4,452,478,460

Condensed Consolidated Statement of Financial Position

		As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
	Notes		
Non-current liabilities			
Repurchase agreements		812,153,481	519,317,230
Bonds	16	656,435,863	649,739,968
Deferred tax liabilities		6,910	8,318
Lease liabilities		2,238,955	11,434,683
		1,470,835,209	1,180,500,199
Net assets		4,323,935,272	4,236,078,453
Equity			
Share capital	17	400,000,000	400,000,000
Share premium		3,339,895,424	3,379,895,424
Accumulated loss		(918,598,006)	(992,084,722)
Other reserve		11,577,844	11,577,844
Capital reserve		442,441,821	442,441,821
Fair value reserve		48,618,189	(5,751,914)
Equity attributable to holders of the ordinary shares		3,323,935,272	3,236,078,453
Equity attributable to holders of other equity instruments	18	1,000,000,000	1,000,000,000
Total equity		4,323,935,272	4,236,078,453

The notes on pages 9 to 29 form part of this interim financial report.



Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Equity attributable to owners of the Company								
	Share capital	Share premium	Capital reserve	Other reserve	Fair value reserve	Accumulated loss	Ordinary shareholders sub-total	Other equity instruments	Total equity
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 1 January 2025 (audited)	400,000,000	3,379,895,424	442,441,821	11,577,844	(5,751,914)	(992,084,722)	3,236,078,453	1,000,000,000	4,236,078,453
Profit for the period	-	-	-	-	-	102,931,754	102,931,754	-	102,931,754
Other comprehensive income for the period	-	-	-	-	71,175,065	-	71,175,065	-	71,175,065
Total comprehensive income for the period	-	-	-	-	71,175,065	102,931,754	174,106,819	-	174,106,819
Transfer of fair value reserve to accumulated loss upon disposal	-	-	-	-	(16,804,962)	16,804,962	-	-	-
Dividends recognised as distribution	-	(40,000,000)	-	-	-	-	(40,000,000)	-	(40,000,000)
Distribution to holder of other equity instruments	-	-	-	-	-	(46,250,000)	(46,250,000)	-	(46,250,000)
At 30 June 2025 (unaudited)	400,000,000	3,339,895,424	442,441,821	11,577,844	48,618,189	(918,598,006)	3,323,935,272	1,000,000,000	4,323,935,272

For the six months ended 30 June 2024

	Equity attributable to owners of the Company								
	Share capital	Share premium	Capital reserve	Other reserve	Fair value reserve	Accumulated loss	Ordinary shareholders sub-total	Other equity instruments	Total equity
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
At 1 January 2024 (audited)	400,000,000	3,379,895,424	442,441,821	11,577,844	(7,066,054)	(1,102,906,837)	3,123,942,198	1,000,000,000	4,123,942,198
Profit for the period	-	-	-	-	-	88,669,217	88,669,217	-	88,669,217
Other comprehensive income for the period	-	-	-	-	40,664,283	-	40,664,283	-	40,664,283
Total comprehensive income for the period	-	-	-	-	40,664,283	88,669,217	129,333,500	-	129,333,500
Transfer of fair value reserve to accumulated loss upon disposal	-	-	-	-	(2,905,234)	2,905,234	-	-	-
Distribution to holder of other equity instruments	-	-	-	-	-	(15,800,000)	(15,800,000)	-	(15,800,000)
At 30 June 2024 (unaudited)	400,000,000	3,379,895,424	442,441,821	11,577,844	30,692,995	(1,027,132,386)	3,237,475,698	1,000,000,000	4,237,475,698

The notes on pages 9 to 29 form part of this interim financial report.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	HK\$	HK\$
	Unaudited	Unaudited
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	(225,780,701)	201,072,605
INVESTING ACTIVITIES		
Dividends and interest received from investments	153,154,177	110,069,095
Purchase of property and equipment	(1,081,530)	(464,759)
Purchase of intangible assets	(1,869,159)	(3,570,553)
Purchase of financial assets at fair value through other comprehensive income	(1,462,424,318)	(794,371,488)
Proceeds from disposals and maturities of financial assets at fair value through other comprehensive income	1,016,169,414	1,190,811,803
Purchase of debt investments at amortised cost	(1,508,379,356)	–
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(1,804,430,772)	502,474,098
FINANCING ACTIVITIES		
Interest paid	(58,736,382)	(106,557,386)
Bank borrowings raised	7,212,544,600	1,811,910,000
Repayments of bank borrowings	(4,832,755,900)	(2,980,795,000)
Proceeds from issue of notes	114,316,897	194,508,144
Redemption of notes	(111,932,758)	(218,619,212)
Proceeds from issue of bonds	–	2,337,993,527
Redemption of bonds	–	(2,071,955,500)
Capital element of lease rentals paid	(9,272,071)	(8,815,834)
Interest element of lease rentals paid	(673,907)	(1,125,044)
Withdrawals from third-party unitholders/shareholders of consolidated investment funds	(2,128,022)	(5,348,369)
Dividends paid to ordinary shareholders	(40,000,000)	–
Distribution to holder of other equity instruments	(46,250,000)	(15,800,000)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	2,225,112,457	(1,064,604,674)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	194,900,984	(361,057,971)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE PERIOD	1,791,898,242	1,764,542,103
CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	1,986,799,226	1,403,484,132
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances – general accounts and cash	1,489,394,971	1,194,357,004
Time deposits with original maturity of less than three months when acquired	497,404,255	209,127,128
Cash and cash equivalents as stated in the consolidated statement of cash flows	1,986,799,226	1,403,484,132
Time deposits with original maturity more than three months but less than one year when acquired	282,619,172	91,790,352
Bank balances- general accounts and cash as stated in the consolidated statement of financial position	2,269,418,398	1,495,274,484
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES INCLUDE:		
Interest paid	(151,860,022)	(128,774,175)
Interest received	185,446,706	219,661,007
Dividend received	21,785,569	2,086,388

The notes on pages 9 to 29 form part of this interim financial report.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. GENERAL

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Cayman Companies Law on 21 July 2015. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section of the interim report.

The Company is an investment holding company. The Group is principally engaged in the provision of brokerage services, margin financing services, corporate finance services, asset management services and financial products and investments. Its immediate holding company is Industrial Securities (Hong Kong) Financial Holdings Limited ("Industrial Securities (Hong Kong)"). Industrial Securities Co., Ltd. ("Industrial Securities"), a company incorporated in the People's Republic of China (the "PRC"), is the ultimate holding company of the Company. The shares of Industrial Securities are listed on the Shanghai Stock Exchange in the PRC.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

(a) Basis of preparation

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 18 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2(b).

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

(b) Changes in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amendment to HKFRSs for the first time for the current period's financial information. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to HKAS 21

The effects of changes in foreign exchange rates – Lack of exchangeability

The adoption of the amendment to HKFRSs does not have a significant impact on the interim condensed consolidated financial statements of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

Revenue

	For the six months ended 30 June	
	2025	2024
	HK\$	HK\$
	Unaudited	Unaudited
Revenue from contracts with customers within the scope of HKFRS15		
Commission and fee income		
Brokerage:		
Commission and fee income from securities brokerage	55,579,713	77,388,520
Commission and fee income from futures and options brokerage	7,072,735	5,921,647
Insurance brokerage commission income	1,838,638	1,914,308
	64,491,086	85,224,475
Corporate finance:		
Commission income on placing, underwriting and sub-underwriting	85,240,629	38,682,565
– Debt securities	549,487	39,416
– Equity securities	200,400	607,735
Corporate advisory fee income	1,053,487	–
Sponsor fee income	3,035,803	9,389,455
Arrangement fee income	90,079,806	48,719,171
Asset management:		
Asset management fee income	4,747,274	6,218,442
Investment advisory fee income	964,458	1,137,085
	5,711,732	7,355,527
	160,282,624	141,299,173
Revenue from other sources		
Interest revenue		
Financial products and investments:		
Interest income from reverse repurchase agreements	3,398,352	2,835,410
Interest income from debt investments at fair value through other comprehensive income	59,758,858	48,957,180
Interest income from debt investments at amortised cost	41,369,311	6,040,519
	104,526,521	57,833,109
Margin financing:		
Interest income from margin financing	13,396,128	14,940,625
	117,922,649	72,773,734



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND OTHER INCOME (Continued)

Revenue (Continued)

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Revenue from other sources (Continued)		
Net trading and investment income		
Financial products and investments:		
Interest income from financial assets at fair value through profit or loss	163,715,677	167,903,138
Dividend income from financial assets at fair value through profit or loss	3,405,563	2,086,388
Net loss on financial assets at fair value through profit or loss	(77,535,818)	(45,019,423)
Net (loss)/gain on derivatives	(42,259,405)	19,668,063
Net gain on financial liabilities at fair value through profit or loss	–	1,484,870
Dividend income from equity instruments designated at fair value through other comprehensive income	70,640,072	56,228,611
Net gain on disposals of debt investments at fair value through other comprehensive income	2,080,905	2,450,418
	120,046,994	204,802,065
Total revenue	398,252,267	418,874,972

Timing of revenue recognition for commission and fee income from customers

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
A point in time	150,408,675	129,426,104
Over time	9,873,949	11,873,069
	160,282,624	141,299,173

Other income

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Interest income from financial institutions	71,563,816	95,264,428
Sundry income	7,118,972	7,363,505
	78,682,788	102,627,933

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENT REPORTING

Information reported to the Board of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. The CODM considers the Group's operations are located in Hong Kong.

The Group's reportable and operating segments under HKFRS 8 are as follows:

Wealth management – provision of securities, futures, options and insurance brokerage, financial products and margin financing services to clients;

Corporate finance – provision of corporate advisory, sponsor, placing and underwriting services of debt and equity securities and structured products arrangement services;

Asset management – provision of fund management, discretionary account management and investment advisory services;

Financial products and investments – proprietary trading and investment of funds, debt and equity securities, fixed income, derivatives and other financial products; and

Others – other business in addition to the above, including head office operations and investment holding platforms, and management of general working capital.

The accounting policies of the operating segments are the same as the Group's accounting policies. Inter-segment revenues are charged among segments at an agreed rate with reference to the rate normally charged to third party customers, the nature of services or the costs incurred.

For the six months ended 30 June 2025 (unaudited)

	Wealth management HK\$	Corporate finance HK\$	Assets management HK\$	Financial products and investments HK\$	Others HK\$	Eliminations HK\$	Consolidated HK\$
Segment revenue and result							
Commission and fee income	64,491,086	90,079,806	5,711,732	-	-	-	160,282,624
Interest revenue	13,396,128	-	-	104,526,521	-	-	117,922,649
Net trading and investment income	-	-	-	120,046,994	-	-	120,046,994
Inter-segment revenue	652,872	-	1,224,654	-	-	(1,877,526)	-
Segment revenue	78,540,086	90,079,806	6,936,386	224,573,515	-	(1,877,526)	398,252,267
Revenue presented in the condensed consolidated statement of profit or loss and other comprehensive income							398,252,267
Segment results	71,522,648	58,764,177	(10,658,375)	(15,929,680)	19,551,839	-	123,250,609
Profit before taxation presented in the condensed consolidated statement of profit or loss and other comprehensive income							123,250,609



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4. SEGMENT REPORTING (Continued)

For the six months ended 30 June 2024 (unaudited)

	Wealth management HK\$	Corporate finance HK\$	Assets management HK\$	Financial products and investments HK\$	Others HK\$	Eliminations HK\$	Consolidated HK\$
Segment revenue and result							
Commission and fee income	85,224,475	48,719,171	7,355,527	–	–	–	141,299,173
Interest revenue	14,940,625	–	–	57,833,109	–	–	72,773,734
Net trading and investment income	–	–	–	204,802,065	–	–	204,802,065
Inter-segment revenue	194,415	–	3,963,540	–	–	(4,157,955)	–
Segment revenue	100,359,515	48,719,171	11,319,067	262,635,174	–	(4,157,955)	418,874,972
Revenue presented in the condensed consolidated statement of profit or loss and other comprehensive income							418,874,972
Segment results	71,217,165	10,925,062	(7,683,614)	10,986,709	11,356,900	–	96,802,222
Profit before taxation presented in the condensed consolidated statement of profit or loss and other comprehensive income							96,802,222

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

5. PROFIT BEFORE TAXATION

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Profit before taxation has been arrived at after charging/(crediting):		
Staff costs (including directors' remuneration)	90,122,845	101,204,007
Salaries and bonuses	88,298,848	98,978,989
Contribution to the Mandatory Provident Fund Scheme	1,537,767	1,813,661
Other staff costs	286,230	411,357
Legal and professional fee	5,342,913	4,828,525
Amortisation of intangible assets	3,632,567	2,869,650
Depreciation	11,250,042	11,106,325
Owned property and equipment	2,277,269	2,133,552
Right-of-use assets	8,972,773	8,972,773
Maintenance fee	7,942,618	9,191,291
Reversal of impairment losses on financial assets	(2,056,386)	(11,239,922)
Secured margin loans	(2,597,904)	(11,137,612)
Debt investments at amortised cost	622,345	(3,684)
Debt investments at fair value through other comprehensive income	(80,827)	(98,626)
Other gains or losses	(52,826,614)	735,234
Exchange (gain)/loss	(60,830,488)	1,120,980
Other loss/(gain)	8,314,274	(385,746)

6. TAXATION

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Hong Kong Profits Tax:		
Current period	701,091	1,745,811
Deferred tax	19,617,764	6,387,194
	20,318,855	8,133,005

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025



6. TAXATION (Continued)

The provision for Hong Kong Profits Tax is calculated by applying the annual effective tax rate of 16.5% (2024: 16.5%) to the estimated assessable profit for the six months ended 30 June 2025, except for one entity of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this qualifying entity, the first HK\$2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

7. DIVIDENDS

Final dividend in respect of the year ended 31 December 2024 of HK\$0.01 per ordinary share, in an aggregate amount of HK\$40,000,000 was approved and paid during the six months ended 30 June 2025 (30 June 2024: no dividend in respect of the year ended 31 December 2023 was declared and paid during the six months ended 30 June 2024).

The Board did not declare the payment of interim dividend for the six months ended 30 June 2025 and 2024.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to ordinary equity holders of the Company is based on the following data:

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Earnings (HK\$)		
Earnings for the purpose of basic earnings per share:		
Profit for the period attributable to owners of the Company	102,931,754	88,669,217
Less: distribution to holder of other equity instruments	(46,250,000)	(15,800,000)
Profit for the period attributable to ordinary equity holders of the Company	56,681,754	72,869,217
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	4,000,000,000	4,000,000,000

For each of the six months ended 30 June 2025 (unaudited) and 30 June 2024 (unaudited), there were no dilutive potential ordinary shares in issue, thus diluted earnings per share is equal to basic earnings per share.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Equity securities		
– Listed in Hong Kong	67,510,302	43,216,093
– Listed outside Hong Kong	55,028,055	40,735,485
Debt securities		
– Listed in Hong Kong	1,553,231,163	1,859,671,756
– Listed outside Hong Kong	1,673,012,065	952,304,277
– Unlisted	1,538,006,407	1,292,556,444
Funds		
– Unlisted	1,372,596,824	161,869,564
Derivatives	35,073,728	33,764,482
	6,294,458,544	4,384,118,101
Analysed as		
Current	6,284,497,750	4,373,209,742
Non-current	9,960,794	10,908,359
	6,294,458,544	4,384,118,101



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Equity instruments designated at FVTOCI (<i>note</i>)		
– Listed in Hong Kong	2,038,071,936	1,885,666,046
– Listed outside Hong Kong	1,022,235,957	756,506,017
– Unlisted	–	115,467,226
Debt securities		
– Listed in Hong Kong	1,421,728,818	1,257,918,032
– Listed outside Hong Kong	984,940,832	621,996,318
– Unlisted	–	304,232,667
	5,466,977,543	4,941,786,306
Analysed as		
Current	5,466,977,543	4,941,786,306
Non-current	–	–
	5,466,977,543	4,941,786,306

Note: The Group has designated those equity instruments at fair value through other comprehensive income ("FVTOCI") as these investments are not held for trading purpose.

11. DEBT INVESTMENTS AT AMORTISED COST

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Debt securities		
– Listed in Hong Kong	1,451,083,234	603,155,362
– Listed outside Hong Kong	846,660,165	101,424,481
– Unlisted	–	70,942,044
Less: impairment allowance	(986,917)	(364,572)
	2,296,756,482	775,157,315
Analysed as		
Current	85,797,931	84,222,555
Non-current	2,210,958,551	690,934,760
	2,296,756,482	775,157,315

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. ACCOUNTS RECEIVABLE

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Accounts receivable arising from the business of dealing in securities:		
Secured margin loans	651,371,688	1,151,314,120
Less: impairment allowance	(202,619,663)	(533,674,166)
	448,752,025	617,639,954
Clearing houses	157,902,996	154,349,728
Cash clients	61,575,786	32,692,302
Brokers	50,605,240	44,989,047
Clients for subscription of new shares in Initial Public Offerings	17,261,848	–
Less: impairment allowance	(825,319)	(825,319)
	286,520,551	231,205,758
	735,272,576	848,845,712
Accounts receivable arising from the business of dealing in futures and options contracts:		
Clearing houses	71,097,258	20,510,294
Brokers	119,244,669	105,701,971
	190,341,927	126,212,265
Accounts receivable arising from the business of corporate finance	27,976,632	29,617,914
Less: impairment allowance	(1,450,216)	(1,450,216)
	26,526,416	28,167,698
Accounts receivable arising from the business of asset management	1,487,715	3,062,938
Less: impairment allowance	(150,000)	(150,000)
	1,337,715	2,912,938
Accounts receivable arising from the business of financial products and investments:		
Brokers	425,699,022	165,722,217
	1,379,177,656	1,171,860,830



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. ACCOUNTS RECEIVABLE *(Continued)*

Secured margin loans

As at 30 June 2025 and 31 December 2024, the secured margin loans are repayable on demand subsequent to settlement date.

Accounts receivable (except for secured margin loans)

Except for secured margin loans, the normal settlement terms of accounts receivable arising from the business of dealing in securities are two days after trade date. The normal settlement terms of accounts receivable arising from the business of dealing in futures and options contracts are one day after trade date.

In respect of accounts receivable arising from the business of dealing in future and options contracts, under the settlement arrangement with HKFE Clearing Corporation Limited ("HKCC"), all open positions held at HKCC are treated as if they were closed out and reopened at the relevant closing quotation as determined by HKCC. Profits or losses arising from this "mark-to-market" settlement arrangement are included in accounts receivable with HKCC. In accordance with the agreement with the brokers, mark-to-market profits or losses are treated as if they were settled and are included in accounts receivable with brokers.

Normal settlement terms of accounts receivable arising from the business of corporate finance and asset management are determined in accordance with the agreed terms, usually within one month to one year after the service was provided.

Normal settlement terms of accounts receivable arising from brokers arising from the business of financial products and investments are determined in accordance with the agreed terms which are normally two to five days after the trade date.

In view of the nature of business of dealing in securities, futures and options contracts and financial products and investments, no aging analysis on those accounts receivable is disclosed, as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of the business.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12. ACCOUNTS RECEIVABLE *(Continued)*

Accounts receivable (except for secured margin loans) *(Continued)*

The following is an aging analysis of gross accounts receivable arising from the business of corporate finance and asset management based on date of invoice/accrual at the reporting date:

Corporate finance clients

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Not past due	11,776,050	9,318,600
Less than 31 days	6,126,804	7,501,959
31–60 days	2,441,062	9,417,143
61–90 days	107,441	1,796,001
91–180 days	6,039,213	52,098
Over 180 days	1,486,062	1,532,113
	27,976,632	29,617,914

Asset management clients

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Less than 31 days	938,891	1,546,832
31–60 days	125,412	622,645
61–90 days	85,412	596,344
91–180 days	104,000	147,117
181–365 days	84,000	–
Over 365 days	150,000	150,000
	1,487,715	3,062,938

During the six months ended 30 June 2025 and the year ended 31 December 2024, no margin loans were granted to the directors of the Company and directors of the subsidiaries.

The Group offsets certain accounts receivable and accounts payable when the Group currently has a legally enforceable right to set off the balances; and intends to settle on a net basis or to realise the balances simultaneously.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

13. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Held for trading		
Derivatives	40,515,958	26,180,966
	40,515,958	26,180,966
Analysed as:		
Current	40,515,958	26,180,966
Non-current	–	–
	40,515,958	26,180,966

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14. ACCOUNTS PAYABLE

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Accounts payable arising from the business of dealing in securities:		
Clearing house	111,202,833	4,552,535
Brokers	213	1,961,657
Clients	2,451,051,391	1,736,296,194
	2,562,254,437	1,742,810,386
Accounts payable arising from the business of dealing in futures and options contracts:		
Clients	370,847,385	336,877,496
Accounts payable arising from the business of asset management:		
Clients	18	–
Accounts payable arising from the business of financial products and investments:		
Brokers	608,959,100	149,564,486
Clients	11,191,894	16,858,429
	620,150,994	166,422,915
	3,553,252,834	2,246,110,797

In respect of accounts payable arising from the business of dealing in securities, accounts payable to clearing house represent trades pending settlement arising from business of dealing in securities transactions which are normally two trading days after the trade date or at specific terms agreed with clearing house. The majority of the accounts payable to cash clients and margin clients are repayable on demand except where certain balances represent trades pending settlement or margin deposits and cash collateral received from clients for their trading activities under the normal course of business. Only the amounts in excess of the required margin deposits and cash collateral stipulated are repayable on demand.

Accounts payable to brokerage clients (except certain balances arising from trades pending settlement) mainly include money held on behalf of clients at banks and at clearing houses by the Group, and are interest-bearing at the prevailing market interest rate.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025



14. ACCOUNTS PAYABLE *(Continued)*

In respect of accounts payable arising from the business of dealing in futures and options contracts, settlement arrangements with clients follow the same settlement mechanism with HKCC or brokers and profits or losses arising from mark-to-market settlement arrangement are included in accounts payables with clients. Accounts payable to clients arising from the business of dealing in futures and option contract are non-interest bearing.

The normal settlement terms of accounts payable arising from the business of dealing in securities for cash clients are two days after trade date and accounts payable arising from the business of dealing in futures contracts are one day after trade date. No aging analysis is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value in view of the nature of the business.

In respect of accounts payable arising from the business of financial products and investments, accounts payable to brokers represent trades pending settlement which are normally determined in accordance with the agreed terms and which are normally two to five days after the trade date.

The Group has accounts payable arising from the business of dealing in securities of HK\$7,032,085 due to the immediate holding company as at 30 June 2025 (31 December 2024: HK\$4,050,272).

15. BANK BORROWINGS

	As at 30 June 2025 HK\$ Unaudited	As at 31 December 2024 HK\$ Audited
Variable rate borrowings	5,014,302,091	2,621,311,780
Repayable within one year and contain a repayable on demand clause	5,014,302,091	2,621,311,780
Repayable within a period of more than one year but not exceeding two years	–	–
	5,014,302,091	2,621,311,780

The bank borrowings consist of loans borrowed by the Group from banks to facilitate investment and general working capital.

The interest rate of the Group's bank borrowings ranged from 0.46% to 4.70% as at 30 June 2025 (31 December 2024: 2.80% to 6.55%).

At 30 June 2025, the equivalent amount of HK\$4,996,668,000 (net of the bank charge) (31 December 2024: HK\$2,616,342,000) had been drawn by the Group under the aggregated banking facilities of HK\$9,932,913,000 (31 December 2024: HK\$9,619,958,000) of the Group. Industrial Securities provided letters of comfort to support the banking facilities of the Group amounting to HK\$6,108,410,000 as at 30 June 2025 (31 December 2024: HK\$5,776,550,000). Out of which HK\$3,746,668,000 had been drawn as at 30 June 2025 (31 December 2024: HK\$1,609,129,000).

No bank borrowings were secured by charges over client's pledged securities as at 30 June 2025 and 31 December 2024.



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

16. BONDS AND NOTES

Bonds

On 2 February 2024, the Company issued US\$300,000,000 corporate bonds (the "Corporate Bonds") with floating interest rate of secured overnight financing rate + 0.9% per annum with a three year maturity which is guaranteed by the Company's controlling shareholder, Industrial Securities Co., Ltd.

With reference to the announcements of the Company dated 23 September 2024, No Registration Event in relation to the Corporate Bonds has occurred during 2024. Pursuant to the terms and conditions of the bonds, certain bondholders have exercised the put option and total aggregate principal amount of US\$217,000,000 of the Corporate Bonds were redeemed on 30 October 2024. Such redeemed Corporate Bonds were cancelled subsequently in accordance with their respective terms and conditions. Accordingly, aggregate principal amount of US\$83,000,000 of the Corporate Bonds were outstanding as at 31 December 2024 and 30 June 2025.

Notes

In 2023, the Company has established the Euro-commercial paper programme under which it may offer and issue unsecured notes in tranches of an aggregate principal amount of up to HK\$5,000,000,000 (or its equivalent in other currencies) to professional investors. As at 30 June 2025, the Company has outstanding notes of HK\$63,141,669 (31 December 2024: HK\$60,960,087) with tenors not more than 364 days. The interest rate of outstanding notes ranged from 4.13% to 4.35% (31 December 2024: 3.95% to 5.40%).

17. SHARE CAPITAL

Details of the share capital are as follows:

	Number of ordinary shares of HK\$0.10 each	Share capital HK\$
Authorised:		
As at 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	20,000,000,000	2,000,000,000
Issued and fully paid:		
As at 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	4,000,000,000	400,000,000



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

18. OTHER EQUITY INSTRUMENT

On 16 June 2021, the Company issued HK\$1,000,000,000 subordinated perpetual securities (the "Perpetual Securities") to Industrial Securities (Hong Kong) with an initial distribution rate of 1.58% per annum. There is no maturity date for the Perpetual Securities. The Company has the sole and absolute discretion to defer any distributions. The Perpetual Securities constitute direct, unconditional, unsecured and subordinated obligations of the Company and are classified as equity instruments and recorded as equity in the condensed consolidated statement of financial position. Pursuant to the subscription agreement and with effect from 16 June 2024, the distribution rate was revised to 4.625% per annum. The distribution of HK\$46,250,000 relating to the Perpetual Securities was paid during the six months ended 30 June 2025 (2024: HK\$15,800,000).

19. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, foreign exchange risk and other price risk), credit risk and liquidity risk.

The unaudited condensed consolidated interim financial statements do not include all financial risk management information and disclosures related to the unaudited condensed consolidated financial statements, and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024.

There has been no change in the risk management policies during the current period.

Fair value measurement of financial instruments

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;
- Level 3: Fair value measured using significant unobservable inputs.

Fair value of the financial assets and financial liabilities that are not measured on a recurring basis

The fair value of financial assets and financial liabilities not measured at fair value on a recurring basis is estimated using discounted cash flow method.

The carrying amounts of the financial assets and financial liabilities not measured at fair value on a recurring basis approximate their fair values as at 30 June 2025 and 31 December 2024.

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following tables give information about how the fair values of these financial assets and financial liabilities are determined including their fair value hierarchy, valuation technique(s) and key inputs used.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. FINANCIAL INSTRUMENTS *(Continued)*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2025 HK\$ Unaudited	31 December 2024 HK\$ Audited		
1) Financial assets at fair value through profit or loss				
Equity securities				
– Traded on stock exchanges	122,538,357	83,951,578	Level 1	Quoted price in active markets
Debt securities				
– Traded on stock exchanges and unlisted	3,831,865,651	3,257,373,531	Level 2	Quoted from brokers or market makers
– Unlisted	236,638,172	158,963,740	Level 2	Recent transaction price
– Unlisted	695,745,812	688,195,206	Level 3	Fair value of collaterals <i>(note a)</i>
Funds				
– Unlisted public	948,812,866	28,830,879	Level 1	Quoted price in active market
– Unlisted private	413,823,164	122,130,326	Level 2	NAV of funds with observable quoted price of underlying investment in active market
– Unlisted private	9,960,794	10,908,359	Level 3	Direct market comparison approach with NAV of fund provided by external counterparty <i>(note b)</i>
Derivatives	8,087,790	17,993,170	Level 2	Net return calculated by relevant index and quoted market prices
Derivatives	26,985,938	15,771,312	Level 3	Discounted cash flow model <i>(note c)</i>
	6,294,458,544	4,384,118,101		



Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. FINANCIAL INSTRUMENTS (Continued)

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2025 HK\$ Unaudited	31 December 2024 HK\$ Audited		
2) Financial assets at fair value through other comprehensive income				
Equity instruments designated at FVTOCI				
– Traded on stock exchanges and unlisted	3,060,307,893	2,757,639,289	Level 2	Quoted from brokers or market makers
Debt securities at FVTOCI				
– Traded on stock exchanges and unlisted	2,406,669,650	2,184,147,017	Level 2	Quoted from brokers or market makers
	5,466,977,543	4,941,786,306		
3) Financial liabilities held for trading				
Derivatives	10,234,328	17,515,438	Level 2	Net return calculated by relevant index and quoted market prices
Derivatives	4,288,387	8,665,528	Level 3	Discounted cash flow model (note c)
Derivatives	25,993,243	–	Level 3	Option pricing models (note d)
	40,515,958	26,180,966		
4) Other liabilities				
Third parties unit holders/ shareholders of consolidated investment funds	102,644,028	94,457,776	Level 2	NAV of funds with observable quoted price of underlying active market

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

19. FINANCIAL INSTRUMENTS *(Continued)*

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

Notes:

- (a) The unobservable inputs are the fair value of collaterals. Due to limitation of public information, management has exercised significant judgement in determining the fair value of collaterals.
- (b) The directors of the Company determined that the reported net asset value of the unlisted investment fund represents the fair value of the fund. The directors of the Company considered that the relationship of unobservable inputs to the fair value of such investment is in positive relationship that the higher the reported net asset value adopted in the valuation assessment, the higher the fair value would be resulted.
- (c) The unobservable inputs are risk adjusted discount rate and risk adjusted foreign exchange rate of USD over RMB. The directors of the Company considered that the higher the discount rate and foreign exchange rate of USD over RMB, the lower the fair values of derivatives would be resulted.
- (d) The unobservable inputs are risk adjusted discount rate, implied volatility and underlying correlation. The directors of the Company considered that the higher the discount rate, the lower the implied volatility and higher the underlying correlation, the lower the fair values of derivatives would be resulted.

Reconciliation of level 3 fair value measurements

	2025		2024	
	Financial liabilities at fair value through profit or loss HK\$	Financial assets at fair value through profit or loss HK\$	Financial liabilities at fair value through profit or loss HK\$	Financial assets at fair value through profit or loss HK\$
As at 1 January	(8,665,528)	714,874,877	–	728,692,720
Total (losses)/gains recognised in profit or loss	(21,616,102)	17,817,667	–	(1,853,689)
As at 30 June	(30,281,630)	732,692,544	–	726,839,031

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025



20. RELATED PARTY TRANSACTIONS

Saved as disclosed elsewhere in the notes to the unaudited condensed consolidated financial statements, the Group had the following material transactions with related parties.

(a) Compensation of key management personnel

The remuneration of key management during the six months ended 30 June 2025 and 2024 was as follows:

	For the six months ended 30 June	
	2025 HK\$ Unaudited	2024 HK\$ Unaudited
Salary and short-term benefits	14,492,453	15,754,879
Post-employment benefits	106,500	93,000

(b) Consultancy services from a fellow subsidiary

The Company has entered into a service agreement with Industrial Securities (Shenzhen) Company Limited ("Industrial Securities (Shenzhen)"), a fellow subsidiary, pursuant to which Industrial Securities (Shenzhen) has agreed to provide consultancy services to the Group for a fee charged at cost plus a mark up of 6%.

During the six months ended 30 June 2025, the Company paid a consultancy service fee of HK\$5,714,077 (2024: HK\$7,200,342) to Industrial Securities (Shenzhen) in accordance with the relevant service agreement.

21. INTEREST IN CONSOLIDATED STRUCTURED ENTITIES

The Group had consolidated certain structured entities including investment funds. For the investment funds where the Group involves as manager and also as investor, the Group assesses whether the combination of funds it held together with its remuneration creates exposure to variability of returns from the activities of the investment funds that is of such significance that it indicates that the Group is a principal.

Third-party interests in consolidated structured entities consist of third-party unit holders/shareholders' interests in consolidated structured entities which are reflected as a liability since they can be put back to the Group for cash. The realisation of net assets attributable to third-party unit holders/shareholders' interests in consolidated structured entities cannot be predicted with accuracy since these represent the interests of third-party unit holders/shareholders in consolidated investment funds that are subject to the actions of third-party unit holders/shareholders.

For the six months ended 30 June 2025, changes in interests held by third-party unit holders/shareholders of HK\$8,314,274 (2024: HK\$385,746) in consolidated structured entities are included as other loss (2024: other gain) within other gains or losses in the condensed consolidated statement of profit or loss and other comprehensive income and the interests held by third-party unit holders/shareholders amounted to HK\$102,644,028 (31 December 2024: HK\$96,457,776) as at 30 June 2025 are included in other liabilities in the condensed consolidated statement of financial position.

22. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform with the current period's presentation.



Management Discussion and Analysis

I. MARKET REVIEW

In the first half of 2025, despite the slowdown in global economic growth due to uncertainties such as geopolitical tensions and tariffs, Hong Kong leveraged the advantages of the “One Country, Two Systems” Policy to continuously optimise its function as a two-way gateway, facilitating the flow of international capital into Mainland China and the expansion of Mainland enterprises into global markets. This enabled Hong Kong to perform exceptionally well in the global capital market, further solidifying its position as an international financial centre. In the first half of 2025, Hong Kong’s IPO market raised a total of HK\$107.1 billion, up sevenfold from the same period last year, ranking first globally and surpassing the total fundraising amount for the entire year of 2024; the Hang Seng Index gained nearly 20%, placing it among the top performers in major global stock markets; the average daily turnover of Hong Kong stocks reached HK\$240.2 billion, representing an increase of approximately 118% compared to the same period in 2024.

II. RESULTS AND OVERVIEW

For the six months ended 30 June 2025, the Group recorded an operating revenue of HK\$398.25 million (2024: HK\$418.87 million), representing a year-on-year decrease of 4.92%. The net profit after tax amounted to HK\$102.93 million (2024: HK\$88.67 million), representing a year-on-year increase of 16.08%, which demonstrated steady improvement in profitability. The growth in profit was mainly attributable to the synergy of the Group’s efficient internal management system, along with high-quality and stable asset quality, as well as revenue growth from its core business of corporate finance.

For the six months ended 30 June 2025, the Group’s operating revenue from wealth management services, corporate finance services, asset management services, and financial products and investments saw a decrease of 22.24%, an increase of 84.89%, a decrease of 22.42% and a decrease of 14.50% year-on-year, respectively.

III. BUSINESS REVIEW

The Group’s operating revenue derives from (i) wealth management; (ii) corporate finance; (iii) asset management; and (iv) financial products and investments.

Wealth management

For the six months ended 30 June 2025, the Group’s revenue from wealth management business amounted to HK\$77.89 million (2024: HK\$100.17 million), representing a year-on-year decrease of 22.24%. Among this revenue, commission and fee income from the brokerage services amounted to HK\$64.49 million (2024: HK\$85.22 million), representing a year-on-year decrease of 24.33%, while interest income from margin financing amounted to HK\$13.40 million (2024: HK\$14.94 million), representing a year-on-year decrease of 10.31%. The Group’s wealth management business swiftly captured customer needs by introducing preferential policies such as interest-free IPO financing and fee waivers amid the current boom in Hong Kong’s IPO market. This resulted in client’s trading turnover in Hong Kong stock reaching approximately HK\$34.7 billion, representing an increase of approximately 71% year-on-year. At the same time, the Group proactively promoted the Cross-boundary Wealth Management Connect Scheme, and precisely met the clients’ diversified cross-border investment needs through continuous enrichment and optimisation of the product matrix, achieving product sales of nearly HK\$900 million, representing an increase of approximately 11% year-on-year. The Group was honoured with the Wealth Management Platform – Outstanding Award in the securities sector by Bloomberg Businessweek’s “Financial Institutions 2025”.



Management Discussion and Analysis

Corporate finance

For the six months ended 30 June 2025, the Group's revenue from corporate finance business amounted to HK\$90.08 million (2024: HK\$48.72 million), representing a year-on-year increase of 84.89%.

Among which, commission income from placing, underwriting and sub-underwriting of debt securities for the six months ended 30 June 2025 amounted to HK\$85.24 million (2024: HK\$38.68 million), representing a year-on-year increase of 120.37%. Facing increasingly fierce market competition, the Group's debt underwriting business proactively explored high-quality customers and expanded its customer base across various industries. Leveraging its strong brand advantage and core competitiveness, the Group secured the 6th place in terms of debt underwriting among Chinese securities firms in Hong Kong, up by 3 places. It completed a total of 105 bond underwriting projects, with bond underwriting scale equivalent to US\$1.112 billion, an increase of 13% year-on-year. In addition, the Group firmly adhered to the principle of green finance, and underwrote a total of 34 green bonds, with a financing and issuance scale of over HK\$60.7 billion. The Group was honoured with the Bond Excellence Award in the securities sector by Bloomberg Businessweek's "Financial Institutions 2025".

For the six months ended 30 June 2025, the Group recorded sponsor fee income of HK\$1.05 million (2024: Nil) and equity underwriting income of HK\$549,500 (2024: HK\$39,400). The Group successfully assisted six companies in listing in Hong Kong, securing the 12th place in terms of equity underwriting among Chinese securities firms in Hong Kong, up by 7 places. The Group will closely monitor developments in regulatory policies in the capital market, deeply explore business opportunities, and expand its integrated sales network to provide customers with comprehensive and high-quality professional support.

Asset management

For the six months ended 30 June 2025, the Group's revenue from asset management business amounted to HK\$5.71 million (2024: HK\$7.36 million), representing a year-on-year decrease of 22.42%. The Group's asset management business continued to deepen its focus on actively managed mutual funds business to meet the diverse investment needs of customers. As of 30 June 2025, the Group had a total of 26 asset management products and the scale of assets under management was approximately HK\$5.7 billion. The overall performance of fund products remained stable, with the China Core Asset Fund achieving a growth in net asset value of 16.7% in the first half of 2025.

Financial products and investments

For the six months ended 30 June 2025, the Group's revenue from financial products and investments amounted to HK\$224.57 million (2024: HK\$262.64 million), representing a year-on-year decrease of 14.50%. Under the neutral and moderate risk preference, the Group strictly controlled credit risk, actively sought investment opportunities, and enhanced the profitability of its investment portfolio. For the six months ended 30 June 2025, the cumulative annualised return on fixed income investments amounted to 8.19%, and the cumulative annualised return on equity investments amounted to 13.75%.

FINANCIAL POSITION

As at 30 June 2025, the total assets of the Group increased by 32.85% to HK\$20,901.10 million (31 December 2024: HK\$15,732.77 million).

As at 30 June 2025, the total liabilities of the Group increased by 44.19% to HK\$16,577.16 million (31 December 2024: HK\$11,496.69 million).



Management Discussion and Analysis

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2025, the net current assets of the Group decreased by 24.69% to HK\$3,353.09 million (31 December 2024: HK\$4,452.48 million). As at 30 June 2025, the current ratio of the Group (defined as current assets divided by current liabilities as at the end of the respective financial year/period) was 1.2 times (31 December 2024: 1.4 times).

For the six months ended 30 June 2025, the net cash inflow of the Group was HK\$308.13 million (for the year ended 31 December 2024: net cash inflow of HK\$69.14 million), and the bank balance of the Group as at 30 June 2025 was HK\$2,269.42 million (31 December 2024: HK\$1,961.29 million).

As at 30 June 2025, the total bank borrowings of the Group increased by 91.29% to HK\$5,014.30 million (31 December 2024: HK\$2,621.31 million).

As at 30 June 2025, the Group had outstanding bonds of HK\$656.44 million (31 December 2024: HK\$649.74 million) and outstanding notes of HK\$63.14 million (31 December 2024: HK\$60.96 million). As at 30 June 2025, the gearing ratio of the Group (defined as the sum of repurchase agreements, bank borrowings, outstanding bonds and outstanding notes divided by total equity) increased by 83% to 295% (31 December 2024: 212%).

Total equity attributable to holders of ordinary shares of the Company amounted to HK\$3,323.94 million as at 30 June 2025 (31 December 2024: HK\$3,236.08 million).

FUTURE PLAN

Looking ahead to the second half of 2025, the Group will continue to adhere to the principle of “stable operation and progress amidst stability”, seize the strategic opportunities arising from the accelerated iteration in the digital asset sector, systematically plan for technological research and development and business reserves to secure a competitive edge in the market; focus on customer needs to build a rich and balanced wealth management product matrix, with an emphasis on expanding institutional customers, exploring the needs of existing customers, and enhancing cross-border financial service capabilities; accelerate the innovation of asset management products to meet the diverse service needs of customers; leverage on brand and professional strengthens of its bond underwriting business to consolidate and enhance the market leading position; capture opportunities arising from the recovery of the Hong Kong stock market for the equity financing business to focus on hot sectors, strengthen synergies, and comprehensively enhance business competitiveness; adhere to a “neutral and moderate” low-volatility investment strategies, strictly control risks, and seize market rotation investment opportunities through diversified investment types to increase absolute returns; stick to the bottom line of compliance and risk control, optimise resource allocation, and build a professional, market-oriented, and international talent team; consistently uphold the principle of green financial services, focus on the Company’s sustainable development, create long-term value for the Company, and provide investors with stable and long-term returns.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

For the six months ended 30 June 2025, the Group had no significant investments, material acquisition or disposal of subsidiaries and affiliated companies.



Management Discussion and Analysis

PLEDGE OF ASSETS BY THE GROUP

For the six months ended 30 June 2025, the Group's assets pledged were mainly debt securities pledged as collaterals for repurchase agreements.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2025, the Group had 164 full-time employees including the Directors (30 June 2024: 224 full-time employees including the Directors). Total remuneration for the six months ended 30 June 2025 amounted to HK\$90.12 million (30 June 2024: HK\$101.20 million). The remuneration policy will be reviewed by the Group from time to time in accordance with market practice, and the bonus will be distributed with reference to individual performance appraisal, prevailing market condition and the financial performance of the Group. Other employee benefits include contributions to the mandatory provident fund scheme and medical care insurance.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities for the six months ended 30 June 2025 and up to the date of this report.

EVENTS AFTER THE REPORTING PERIOD

As of the date of this report, the Board was not aware of any significant events related to the business or financial performance of the Group after the reporting period.

RISK MANAGEMENT

Risk management framework and mechanism

The Group has established a comprehensive risk management organisational structure consisting of the Board, management, the risk management committee, risk management department, departments and subsidiaries. The Board shall undertake the ultimate responsibility for comprehensive risk management, be responsible for the supervision and guidance of the risk management of the Company, approve the risk preference of the Company, and control the overall risk of the Company within a reasonable range to ensure that the Company can effectively manage the risk control in business activities. The management shall lead and manage various risks in the course of business of the Company and promote the planning, construction and implementation of the comprehensive risk management system of the Company. The risk management committee under the management shall carry out the risk management work of the Company with the authorisation of the management, be responsible for guiding, supervising and coordinating the implementation of the work related to risk management of the Company, provide advice on the improvement and updating of the organisational system, and promote the comprehensive risk management construction of the Company. Under the leadership of the compliance and risk control director, the risk management department shall organise and promote the comprehensive risk management work of the Company, organise to conduct identification, evaluation, monitoring, analysis and tests on the overall risk, aggregate risk faced in the course of operation and management of the Company and its changing trend, and put forward corresponding control measures and solutions.

The Group has built three lines of defence for risk management, of which the first line of defence is effective self-control by all departments and subsidiaries, the second line of defence is professional risk management by the risk management department before and during business operations, and the third line of defence is post-supervision and evaluation by the audit department. The design of the "three lines of defence" (三道防線) of risk management governance structure has effectively provided guarantees for the efficiency and effectiveness of risk management.



Management Discussion and Analysis

The Group has implemented the risk preference, quota management and authorisation management system, kept the business philosophy of “stable operation for sustainable development” (穩健經營、長遠發展) based on the neutral and prudent risk preference determined by the Board, and adhered to the development idea of seeking progress while keeping performance stable, conducted precise identification, careful evaluation, dynamical monitoring, timely response and overall management on various risks, such as liquidity risk, market risk, credit risk, operational risk, reputation risk, and compliance and legal risk in a timely manner in the course of business of the Company to ensure that various risks undertaken by the Group were controlled within a reasonable range that is measurable, controllable, acceptable and without spillover. The Group has endeavoured to build a sound organisational structure, operational management system, quantifiable risk indicator system, reliable information system and professional talent team, so as to realise the detectability, measurability, analysis and risk-response in risk management, facilitating the sound business development of the Group in the long run and the achievement of strategic objectives.

Credit risk

The Group's exposure to credit risk refers to the risk of losses to the Group arising from non-performance by the debtors or counterparties. The Group has established a risk management committee to review and monitor the implementation of credit risk management policies, and to update relevant risk management policies to adapt to changes. The Group has also set up an investment and financing business review committee, which is responsible for reviewing investment and financing projects and re-examining the policies relating to credit approval, transaction limits and credit limits. The Group has regularly re-examined the implementation of existing investment and financing projects and margin loans to assess the credit risk exposure, and has taken appropriate measures to mitigate risks.

The Group has closely monitored the risk limit indicators of credit business, adopted measures such as daily mark-to-market and timely warning, and established a public opinion information monitoring mechanism for debtors, collaterals and counterparties to effectively respond to sudden public events to formulate response plans in advance. We will regularly conduct stress tests, take appropriate measures to compensate for or minimise losses in the event that customers may not fulfil their obligations, properly resolve risks, and effectively carry out post-investment management. We will also regularly measure the impairment of our financial assets and make provision for expected credit losses in a timely manner, in accordance with the latest standards on financial instruments and using reasonable and evidence-based forward-looking information based on our existing business.

Liquidity risk

The Group's exposure to liquidity risk refers to the risk of failure to obtain sufficient capital at reasonable cost in time to repay debts which are falling due, fulfil other payment obligations and meet the liquidity requirement for ordinary business operation.

The Group has formulated liquidity risk management system and process to identify, address, monitor and mitigate potential liquidity risks, and maintained liquidity and financial resource requirements in accordance with applicable laws and regulations (such as the Securities and Futures (Financial Resources) Rules (Chapter 571N of the Laws of Hong Kong)).

The Group has formulated a multi-level authorisation mechanism and internal policies for managing and approving the use and allocation of capital. It has set up restrictions on authorisation in respect of any commitments or capital outflows (such as procurement, investment and loans), and evaluated the impact of such transactions on capital adequacy.



Management Discussion and Analysis

The Group has met its financing needs primarily through obtaining bank loans from certain banks and issuing bonds, and constantly explored and expanded financing channels and methods. The Group has also adopted strict liquidity management measures, including but not limited to daily monitoring reports, future cash flow forecasts and liquidity stress tests, to ensure that the planning and management of liquidity is prepared well and that the Group satisfies the capital requirements stipulated by applicable laws.

Market risk

The Group's exposure to market risk refers to the risk of potential losses incurred to the Group arising from adverse changes in exchange rates, interest rates and prices of financial assets.

The Group has formulated policies and procedures to monitor and control market risks arising from carrying out business. Prior to engaging in any new transaction or launching any new business, each business segment of the Group will arrange professionals with appropriate qualifications and industry experience to discuss and evaluate the relevant market risks, and develop management and mitigation measures for such market risk.

The Group has set up market risk limit indicators, and regularly reviewed and adjusted market strategies to adapt to changes in operating results, risk tolerance and market conditions. In terms of financial products and investment business, the Group has formulated different selection criteria for bonds and other fixed-income products, prudently selected industries and enterprises, and followed up and monitored macro-economic trends to optimise investment strategies.

Operational risk

The Group's exposure to operational risk refers to the risk of losses to the Group caused by imperfect or defective internal procedures, employees, information systems or external events. The main goal of the operational risk management of the Group is to promote a good operational risk management culture according to the regulatory requirements and the development strategy of the Company, establish and improve the operational risk management framework and system in line with the actual situation of the Company, and reduce the frequency and impact of operational risk events.

The Group has established an operational risk management structure consisting of the Board, management, the risk management committee, the risk management department and each functional department. The management of operational risk involves all departments and all employees, with penetration into various business activities, business processes and operational procedures.

The Group has established a sound management mechanism and effective internal control procedures. Through operational risk policies, risk reporting mechanisms, operational risk limit indicators, risk control matrices, operational risk systems and risk warnings, the operational risk events will be identified, evaluated, monitored and followed up before, during and after events. At the same time, through sharing the cases of operational risk and training, the overall operational risk awareness of the Group has been improved, the operational risk management has been strengthened, and the ability to respond on operational risk has been improved. The risk management department has regularly analysed and evaluated operational risk events, continuously monitored the operational risk conditions and its changing trend of the Group, and regularly reported the implementation of relevant indicators, and also followed up operational risk events to ensure that the operational risk losses of the Company are under control, and improved operational risk monitoring and management.

The Group has set up a business continuity management mechanism, in place with contingency plans and business continuity plans combined with risk scenarios, business models, system settings and other important risk factors, and retained sufficient disaster recovery office facilities, regularly carried out business continuity exercises, comprehensively improved the Group's ability to respond to emergencies and operational interruptions to ensure smooth and orderly operation.



Management Discussion and Analysis

Compliance and legal risks

The Group has proactively promoted the establishment of a stable and sound compliance and legal risk management framework, formulated relevant policies, processes and templates, kept a close eye on the prevailing laws and regulations relating to business operations, and made timely adjustments and improvements to the internal compliance and legal risk management policies and processes based on the changes of external laws and regulations to ensure that the Company's business operations comply with the laws and regulations as amended from time to time.

The Group has set up a compliance management structure and established three lines of defence for compliance management, of which the legal and compliance department takes the lead in formulating the compliance management policies and procedures of the Group, providing compliance advice for various business plans and affairs, closely monitoring the compliance operation of the licensed businesses of the Group, and supervising all business segments to strictly implement relevant regulatory requirements. Meanwhile, in order to foster a sound compliance culture atmosphere and strengthen compliance awareness, the legal and compliance department has taken the lead in organising legal and compliance trainings for employees from time to time and provided internal guidance for the latest regulatory updates.

The legal and compliance department of the Group is assisted by full-time legal personnel. Meanwhile, the Group has engaged five legal consultants who have cooperated with the Group throughout the years and maintained close relationships with other external law firms. Through close cooperation with full-time legal personnel and external legal advisers or law firms, the Group can prevent and address various legal risks in a timely manner.

Reputation risk

The Group's exposure to reputation risk refers to the risk of public negative views on the Group from shareholders, employees, customers, third-party cooperation institutions and regulatory agencies caused by the operations, management and other behaviours or external events. With a complete corporate governance structure, the Group has proactively promoted the construction of reputation risk management mechanism, effectively prevented reputation risk and addressed reputation risk events by upholding the principles of prevention first, proactivity and swift response, and conducted all-rounded and whole-process management over classification, identification, assessment, reporting, handling and evaluation of reputation risk occurred in the course of the operation and management, so as to minimise losses and negative impacts on the reputation and brand image of the Group. During the reporting period, the Group has further improved its reputation risk management system, maintained an overall stable public sentiment, and has not experienced major reputation risk events.



Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) held by the Directors and chief executive of the Company (the "Chief Executive") which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code") were as follows:

Long Position in Ordinary Shares of HK\$0.1 each of the Company

Name of Director	Capacity/Nature	No. of Shares held	Approximate percentage	Amount of debentures held
Xiong Bo	Beneficial owner	2,058,531	0.05%	—
Zhang Chunjuan	Beneficial owner	1,004,000	0.03%	US\$1,190,000

Save as disclosed above, as at 30 June 2025, none of the Directors or Chief Executive had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Model Code, to be notified to the Company and the Stock Exchange.



Other Information

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

So far as the Directors and the Chief Executive are aware, as at 30 June 2025, the following persons/corporations (other than a Director or the Chief Executive) had interests or short positions in the Shares and the underlying Shares, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Name	Nature of Interest	No. of Shares held	Approximate percentage of Shareholding
Industrial Securities (Hong Kong) Financial Holdings Limited	Beneficial owner	2,365,291,644	59.13%
Industrial Securities Co., Ltd.* (Note 1)	Interest of controlled corporation	2,365,291,644	59.13%
Harvest Capital Management Co., Ltd (Note 2)	Investment manager	293,232,000	7.33%
Harvest Fund Management Co., Ltd. (Note 2)	Interest of controlled corporation	293,232,000	7.33%
China Credit Trust Co., Ltd. (Note 2)	Interest of controlled corporation	293,232,000	7.33%
Hao Kang Financial Holdings (Group) Limited (Note 3)	Beneficial owner	205,853,089	5.15%
Apex Trade Holdings Limited (Note 3)	Interest of controlled corporation	205,853,089	5.15%
Chen Jiaquan (Note 3)	Interest of controlled corporation	205,853,089	5.15%
Yang Zhiying (Note 4)	Interest of spouse	205,853,089	5.15%

Notes:

1. Industrial Securities Co., Ltd.* holds the entire issued share capital of Industrial Securities (Hong Kong) Financial Holdings Limited. Therefore, Industrial Securities Co., Ltd.* is deemed or taken to be interested in all the Shares held by Industrial Securities (Hong Kong) Financial Holdings Limited for the purposes of the SFO.
2. China Credit Trust Co., Ltd holds 40% of the entire issued share capital of Harvest Fund Management Co., Ltd., and Harvest Fund Management Co., Ltd. holds 75% of the entire issued share capital of Harvest Capital Management Co., Ltd. Therefore, China Credit Trust Co., Ltd and Harvest Fund Management Co., Ltd. are deemed or taken to be interested in all the Shares held by Harvest Capital Management Co., Ltd for the purposes of the SFO.
3. Chen Jiaquan holds 70% of the total issued share capital of Apex Trade Holdings Limited and is the sole director of Hao Kang Financial Holdings (Group) Limited and therefore is deemed or taken to be interested in all the Shares held by Apex Trade Holdings Limited and Hao Kang Financial Holdings (Group) Limited for the purpose of the SFO.
4. Yang Zhiying is the spouse of Chen Jiaquan. Under the SFO, Yang Zhiying is deemed, or is taken to be, interested in all the Shares in which Chen Jiaquan is interested.

* For identification purpose only



Other Information

Save as disclosed above, as at 30 June 2025, the Company has not been notified by any persons, other than the Directors and the Chief Executive who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY AND ITS SUBSIDIARIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company and its subsidiaries during the six months ended 30 June 2025 (including sales of treasury shares (as defined in the Listing Rules)).

During the six months ended 30 June 2025, the Company did not hold any treasury shares.

COMPETING INTERESTS

Save for the continuing connected transactions as disclosed in the section headed “Relationship with the controlling shareholders” and “Connected transactions” in the prospectus of the Company dated 30 September 2016, none of the Directors or the controlling shareholders of the Company nor their respective close associates as defined in the Listing Rules had any interest in business that competed or might compete with business of the Group during the six months ended 30 June 2025.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the 2024 annual report of the Company are set out below:

Director	Details of Change
Zhang Chunjuan	The monthly remuneration has been revised to HK\$195,000 with effect from 1 April 2025



Other Information

CONTINUING DISCLOSURE OBLIGATION UNDER RULE 13.21 OF THE LISTING RULES

On 17 May 2023, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”) to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to HK\$500,000,000 (or its equivalent in USD) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to directly or indirectly own at least 51% of the issued share capital of the Company.

On 17 June 2024, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”) to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to US\$65,000,000 (or its equivalent in HKD or RMB) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to be the (direct or indirect) legal and beneficial owner of at least 51% of the issued share capital of the Company and ceases to maintain the management control over the Company.

On 8 August 2024, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”), pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to US\$20,000,000 to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to own (whether directly or indirectly) at least 51% of the issued share capital of the Company and maintain the control over the Company.

On 18 October 2024, the Company as borrower entered into a supplemental facility letter (the “Supplemental Facility Letter”) with a bank as lender (the “Lender”) to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to HK\$300,000,000. As a condition of the Supplemental Facility Letter, it shall be an event of default if Industrial Securities ceases to maintain directly or indirectly not less than 51% of the issued share capital of the Company and maintain the absolute management control over the Company.

On 28 October 2024, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”), pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to HK\$800,000,000 to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to remain as the single largest shareholder of the Company.

On 3 December 2024, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”) to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to US\$35,000,000 (or its equivalent in HKD or RMB) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to own (either directly or indirectly) at least 51% of the issued share capital of the Company.

On 24 January 2025, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”), pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to CNY50,000,000 (or its equivalent amount in any other currencies) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to remain as the ultimate holding company of the Company.

On 12 March 2025, the Company as borrower entered into a facility letter (the “Facility Letter”) with a bank as lender (the “Lender”) to renew the facility, pursuant to which the Lender has agreed to make available uncommitted bank facilities in an aggregate amount of up to HK\$3,000,000,000 to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to own and maintain (directly or indirectly) at least 51% of the issued share capital of the Company.



Other Information

On 24 March 2025, the Company as borrower entered into a facility letter (the "Facility Letter") with a bank as lender (the "Lender"), pursuant to which the Lender has agreed to make available an offshore revolving loan facility in an aggregate amount of up to US\$50,000,000 (or its equivalent in HKD). As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to maintain (directly or indirectly) management control over the Company.

On 2 April 2025, the Company as borrower entered into a facility letter (the "Facility Letter") with a bank as lender (the "Lender"), pursuant to which the Lender has agreed to make available a revolving short-term loan facility in an aggregate amount of up to HK\$100,000,000 (or its equivalent in any other currency) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to own (directly or indirectly) at least 51% issued share capital of the Company.

On 30 May 2025, the Company as borrower entered into a facility letter (the "Facility Letter") with a bank as lender (the "Lender") to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to HK\$300,000,000 (or its equivalent in USD or CNY) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to hold directly or indirectly not less than 51% of the issued share capital of the Company and maintain the absolute management control over the Company.

On 16 June 2025, the Company as borrower entered into a facility agreement (the "Facility Agreement") with a bank as lender (the "Lender"), pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to US\$70,000,000 (or its equivalent in HKD or CNY) to the Company. As a condition of the Facility Agreement, it shall be an event of default if Industrial Securities ceases to remain as the single largest shareholder of the Company and maintain the management control over the Company.

On 20 June 2025, the Company as borrower entered into a facility letter (the "Facility Letter") with a bank as lender (the "Lender"), pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to HK\$300,000,000 (or its equivalent in USD or CNY) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to be the single largest shareholder of the Company and hold not less than 51% of the issued share capital of the Company.

On 23 July 2025, the Company as borrower entered into a facility letter (the "Facility Letter") with a bank as lender (the "Lender") to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to US\$40,000,000 to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to own (whether directly or indirectly) at least 51 % of the issued share capital of the Company and maintain the management control over the Company.

On 31 July 2025, the Company as borrower entered into a facility letter (the "Facility Letter") with a bank as lender (the "Lender") to renew the facility, pursuant to which the Lender has agreed to make available an uncommitted revolving loan facility in an aggregate amount of up to US\$65,000,000 (or its equivalent in HKD or RMB or EUR or JPY) to the Company. As a condition of the Facility Letter, it shall be an event of default if Industrial Securities ceases to be the (direct or indirect) legal and beneficial owner of at least 51% of the issued share capital of the Company and have the power to (directly or indirectly) exercise control over the Company.

As at the date of this report, the above specific performance obligations imposed on Industrial Securities under the aforesaid facility letters continued to exist.



Other Information

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the Model Code. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company during the six months ended 30 June 2025.

CORPORATE GOVERNANCE

The Company has complied with the code provisions as set out in the Corporate Governance Code (the "CG Code") as contained in Appendix C1 to the Listing Rules during the six months ended 30 June 2025.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has been established with written terms of reference in compliance with the Listing Rules and code provisions under the CG Code. The Audit Committee currently comprises a non-executive Director and two independent non-executive Directors, namely Mr. Xiong Bo, Mr. Chan Ho Wing and Mr. Tian Li. The chairman of the Audit Committee is Mr. Chan Ho Wing.

The Group's unaudited condensed consolidated results for the six months ended 30 June 2025 have been reviewed by the Audit Committee, which was of the opinion that such results have complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements and that adequate disclosures have been made.