



Incorporated in Bermuda with limited liability
Stock Code : 1141

INTERIM REPORT 2025



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Abbreviations

In this interim report, the following abbreviations have the following meanings unless otherwise specified:

"Board"	board of Directors
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"China Minsheng Bank"	China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange (stock code: 1988) and the A shares of which are listed on the Shanghai Stock Exchange (stock code: 600016)
"China Minsheng Bank Group"	China Minsheng Bank and its subsidiaries, excluding members of the Group
"CMBCI"	CMBC International Holdings Limited, a company incorporated in Hong Kong with limited liability and an indirect controlling Shareholder of the Company
"CMBC International Investment"	CMBC International Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a controlling Shareholder of the Company
"Company"	CMBC Capital Holdings Limited
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"HK\$" and "HK cents"	Hong Kong dollars and Hong Kong cents, respectively, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules

Abbreviations

"Money Lenders Ordinance"	the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Nomination Committee"	the nomination committee of the Board
"PRC" or "China"	The People's Republic of China, for the purpose of this interim report only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"Previous Period"	the six months ended 30 June 2024
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the six months ended 30 June 2025
"Risk Management and Internal Control Committee"	the risk management and internal control committee of the Board
"SFC"	the Securities and Futures Commission
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Shareholder(s)"	holder(s) of the Share(s)
"Share(s)"	the share(s) of the Company
"Share Award Scheme"	the share award scheme adopted by the Company on 19 February 2016
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US" or "United States"	The United States of America
"US\$"	United States dollars, the lawful currency in the United States
"%"	per cent

Corporate Information

(as at the date of this interim report)

BOARD OF DIRECTORS

Executive Directors

Mr. Li Baochen (*Chairman*)
Mr. Li Ming (*General Manager*)
Mr. Ng Hoi Kam

Non-executive Directors⁽¹⁾

Ms. Wu Yuan
Mr. Xu Feng⁽²⁾

Independent Non-executive Directors

Mr. Lee, Cheuk Yin Dannis
Mr. Wu Bin
Mr. Wang Lihua

AUDIT COMMITTEE

Mr. Lee, Cheuk Yin Dannis (*Chairman*)
Mr. Wu Bin
Mr. Wang Lihua

REMUNERATION COMMITTEE

Mr. Wu Bin (*Chairman*)
Ms. Wu Yuan
Mr. Wang Lihua

NOMINATION COMMITTEE

Mr. Wu Bin (*Chairman*)
Ms. Wu Yuan
Mr. Wang Lihua

COMPANY SECRETARY⁽³⁾

Ms. Yan Hoi Ling Jovian

TRADING OF SHARES

The Stock Exchange of Hong Kong Limited

STOCK CODE

1141

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

45/F, One Exchange Square
8 Connaught Place
Central, Hong Kong

PRINCIPAL BANKERS

China Minsheng Banking Corp., Ltd
Industrial and Commercial Bank of China Limited
Shanghai Pudong Development Bank Co., Ltd
CMB Wing Lung Bank Limited
Bank of China (Hong Kong) Limited

LEGAL ADVISER

Ashurst Hong Kong
43/F Jardine House
1 Connaught Place
Central
Hong Kong

AUDITOR⁽⁴⁾

KPMG
Certified Public Accountants Hong Kong
Registered Public Interest Entity Auditor

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services
(Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM 1179, Hamilton HM EX
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

WEBSITE

<http://www.cmbccap.com>

Notes:

⁽¹⁾ Mr. Yang Kunpeng resigned as a non-executive Director and ceased to be the Chairman of the Risk Management and Internal Control Committee, with effect from 30 May 2025.

⁽²⁾ Mr. Xu Feng was appointed as a non-executive Director and the Chairman of the Risk Management and Internal Control Committee, with effect from 30 May 2025.

⁽³⁾ Mr. Wong Tin Yu resigned and Ms. Yan Hoi Ling Jovian was appointed as the Company Secretary, with effect from 8 July 2025.

⁽⁴⁾ At the conclusion of the annual general meeting of the Company held on 30 June 2025 (the "2025 AGM"), PricewaterhouseCoopers retired as the auditor of the Company upon expiration of its term of office and KPMG was appointed as the auditor of the Company from the date of the 2025 AGM until the conclusion of the next annual general meeting of the Company. For details, please refer to the announcements of the Company dated 30 May 2025 and 30 June 2025 and the circular of the Company dated 5 June 2025.

Management Discussion and Analysis

BUSINESS REVIEW

The Group is currently licensed to engage in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, as well as financing and money lending businesses in the capacity as “exempted persons” as defined in the Money Lenders Ordinance (no license required pursuant to the Money Lenders Ordinance). The Group has all material licenses required for provision of services requested by most of its existing and potential clients at the current stage.

During the Reporting Period, the Group recorded revenue of approximately HK\$245.4 million, representing a period-over-period increase of approximately 56.7%. The net profit amounted to approximately HK\$117.9 million, representing a period-over-period increase of approximately 48.0%. The increase in profit was mainly attributable to the significant year-on-year increase in revenue from fee-based income from securities underwriting, sponsorship services, asset management and wealth management-related businesses during the Reporting Period.

Securities

During the Reporting Period, the issuance scale of USD bonds by Chinese companies has slowed down relatively, while the issuance of offshore RMB bond was stabilized. In a market environment characterized by significant volatility, the Group’s offshore debt capital markets department has bucked the trend, achieving outstanding results in promoting high-quality development of the bond market and high-level financial opening-up, with the number and scale of Chinese offshore bond issuances increased significantly when compared to the Previous Period. The customer base of the Group’s offshore bond underwriting business is still mainly financial institutions and investment-grade local state-owned enterprises. During the Reporting Period, a total of 162 bond underwriting issuances were completed by the Group according to the underwriting rankings of CSCI Technology Co., Ltd. as of June 30, 2025, representing a period-over-period increase of 37%. The total underwriting scale exceeded US\$1.71 billion, marking a period-over-period increase of 44%. The Group’s underwriting scale ranks among the top tier in the industry, and the creditworthiness of the underwriting entities remains stable.

Management Discussion and Analysis

BUSINESS REVIEW (CONTINUED)

Investment and Financing

During the Reporting Period, geopolitical risks and the volatility of tariff policies have led to greater fluctuations in global capital markets. Supported by exports and manufacturing industry, China's economy grew beyond expectations in the first half of the year, the market expects the Chinese government to intensify policy support for the economy, creating investment opportunities for Chinese assets. In the US, the impact of tariff policies on inflation remains to be seen, and with the economy still showing resilience, the Federal Reserve has slowed its pace of interest rate cuts. Overall, the retreat of tariff uncertainty, declining yields, and the continued strength of corporate fundamentals have driven the rise of risk assets, with USD dollar bonds recording stable returns. Due to the continuing uncertainty in the macroeconomic environment, the Group increased the provision of allowance for expected credit losses on certain high-yield bond investments and adjusted the fair value of certain of its investments in equity securities based on the individual circumstances, and further strengthened the risk control on the financing business.

In terms of investments, the Group focused on the Greater China region and expanded to other developed regions such as Asia, Europe and the United States to achieve a diversified layout. Bonds are mainly invested in leading companies with stable businesses such as banks, insurance, and public utilities to form a diversified and stable investment portfolio. The Group focuses on industries that are in the growth or expansion stage and have highly competitive barriers, and actively seeks companies with outstanding core technological advantages and stronger revenue growth and profit potential. The Group also focused on technological innovation enterprises and medical and pharmaceutical healthcare enterprises with higher growth potential that comply with the requirements of Chapter 18A of the Listing Rules.

In terms of financing, the Group provided customized financing solutions with different structures or forms according to customers' needs and provided a series of services including transaction structure design, coordination of professional parties and overall financing arrangements. Specific products include but are not limited to asset-backed loans, merger and acquisition loans, equity pledge financing, bridge financing, etc. The Group adopted a prudent development strategy with respect to financing based on risk control.

Asset Management

During the Reporting Period, in the face of macroeconomic challenges such as tariff trade wars, policy uncertainties and geopolitical risks, the Group adhered to a prudent investment strategy, seized market opportunities, strengthened risk control measures and ensured efficient management of the net value of products. As at 30 June 2025, the net asset value of public funds grew steadily, among them, the net asset value of CMBC Aggregate Greater China Select Bond Fund increased by 3.09% and the net asset value of CMBC Aggregate Greater China Strategy Fund increased by 7.40%, as compared to their respective net asset value as at 31 December 2024.

Management Discussion and Analysis

BUSINESS REVIEW (CONTINUED)

Asset Management (Continued)

The Group's asset management products have achieved leading performance in terms of net asset value among the industry. The CMBC Aggregate Greater China Select Bond Fund ranked first in the "3-Year Greater China Bond Fund Performance List" in the "Hong Kong Offshore Chinese Public Fund Performance List" jointly announced by Wind Information and the Chinese Asset Management Association of Hong Kong for the first quarter of 2025; the CMBC Aggregate Greater China Strategy Fund has ranked fourth in the "1-Year Hybrid Fund Performance List" for the first time. In the 2025 Professional Investment Awards held by Insights & Mandate magazine, the CMBC Aggregate Greater China Select Bond Fund once again won the "China Offshore Bonds (3 Years)" Investment Performance Award; the CMBCC Stable Investment Fund SP2 was awarded the "Greater China Fixed Income Hedge Fund (3 Years)" Investment Performance Award for the first time.

Meanwhile, the Group followed the development trend of the local asset management and wealth management business in Hong Kong, optimized and adjusted its existing money market fund product line, successfully obtained approval during the Reporting Period to issue a SFC authorised USD money market fund, which will be formally launched after completing the necessary regulatory filings and other preparatory procedures.

Corporate Finance and Advisory

During the Reporting Period, the Group successfully assisted Newtrend Group Holding Co., Ltd. (Stock Code: 2573.HK) in its listing on the Main Board of the Stock Exchange, and successfully assisted four IPO projects in submitting their listing applications to the Stock Exchange, covering industries such as internet insurance technology and product solutions, smart parking solutions, data intelligence, and healthcare. Additionally, during the Reporting Period, the Group acted as a financial advisor in assisting its client to complete a very substantial disposal transaction, and served as an independent financial advisor for a major disposal and connected transaction. In terms of equity underwriting, the Group completed a total of 14 IPO underwriting projects in the Reporting Period (based on the listing date), representing an increase of three projects compared to the same period in 2024, serving roles including overall coordinator and joint bookrunner, covering industries such as artificial intelligence, biotechnology, consumer goods and finance industries. Additionally, the Group also completed a placing in the role of overall coordinator and placing agent during the Reporting Period.

In terms of wealth management-related business, the Group, through its core competitive advantage of customised asset allocation solutions and efficient professional service systems, combined with abundant client-side resources, has gradually formed a diversified product and service synergy matrix.

Management Discussion and Analysis

PROSPECTS AND DEVELOPMENT STRATEGIES

Prospects

In the second half of 2025, the global economy is expected to remain complex and uncertain, with tensions persisting in some regions and protectionist trade policies looming over the global landscape. Trade negotiations between the US and other countries are expected to gradually take shape, but the tariff negotiations between China and the US remain uncertain, with tariffs on industries such as semiconductors and pharmaceuticals looming. Inflationary pressures and fiscal sustainability in the United States continue to concern global markets, and the Federal Reserve is likely to maintain a cautious stance this year, potentially implementing 1-2 rate cuts. China's economy performed better than expected in the first half of the year, with both opportunities and challenges ahead in the second half. Monetary and fiscal policies still have room to provide support, and anti-involution policies are expected to ease competitive pressures on businesses, helping prices stabilize and rebound. The continued prosperity of capital markets is likely to generate a wealth effect, while the real estate market remains in a bottoming-out phase. Hong Kong's economy has maintained a moderate recovery amid changes in both domestic and international environments. The decline in market interest rates has driven a rebound in demand, while the financial market has continued to show signs of improvement and recovery. The adoption of stablecoins has brought new development opportunities. The Group maintains a cautiously optimistic outlook on the development of the Chinese and Hong Kong economies, while also preparing thoroughly for external uncertainties and geopolitical challenges. We will respond to external shocks while seizing opportunities arising from improvements in Hong Kong's financial markets and financial innovation. Across all business areas, we will actively serve corporate and private clients, continuing to create value for our clients and shareholders.

Development Strategies

The Group will adhere to the strategy of "One Minsheng" and conscientiously implement policies made by China Minsheng Bank and China Minsheng Bank Group. Leveraging on its competitive advantages on internationalisation and its Hong Kong licensed investment banking services, the Group will strive to promote cross-border business synergies and coordination, so as to accommodate the diversified financial services needs of China Minsheng Bank and its clientele in an all-round manner; maximise its role as a platform to develop its licensed business and to build a capital-light investment bank; continue to improve its corporate governance and to strengthen its risk management capabilities. Specific measures are set out below:

Management Discussion and Analysis

PROSPECTS AND DEVELOPMENT STRATEGIES (CONTINUED)

Development Strategies (Continued)

- (1) Develop the strategic business of investment banking at full steam. Based on research, the Group will focus on covering professional sectors including technology, media and telecommunications, new energy, high technology, mass consumption and social services, biomedicine and mergers & acquisitions. We adopt multiple measures to expand sponsorship and equity underwriting project opportunities. The Group will continue to establish our presence in lead bond underwriting projects, leveraging synergy policies to reach more enterprises, securing additional offshore debt for high-credit enterprises, and in combination with market and policy environments, continuously increasing underwriting revenue. The Group will fully capitalise China Minsheng Bank's domestic customer and channel advantages, vigorously promoting entrusted asset management business, maintaining proper management of product net asset values, seizing opportunities from Greater Bay Area integration and cross-border connectivity between the two places, and building a comprehensive and diversified asset management platform.
- (2) Solidly promote the foundational wealth management business and the upgrade of securities business. The Group will comprehensively enhance the capability in generating stable cash flows business, and continue to utilize the functions of the wealth management team, institutional business team and research department to empower the development of the investment banking business. The Group will continue to recruit professional and efficient team, steadily improve brokerage and trading capabilities and accelerating the establishment of an one-stop trading platform to steadily achieve profit-making in the trading business of Hong Kong stocks, US stocks, Japanese stocks, futures and over-the-counter products. Meanwhile, in line with Hong Kong's financial innovation trends, the Group will launch virtual asset ETF trading services and actively prepare to expand its offerings by making use of the dealing in securities licence.
- (3) Continuously enhance risk and compliance management capabilities. The Group will adhere to the principles of prudent operations and steady development, and implement the risk management preferences and various risk limit indicators of China Minsheng Bank and the Company, and align with the strategic development plans of the Company's various business lines to enhance the construction of a comprehensive risk management system. The Group will effectively manage and plan the overall portfolio of asset-related businesses to control credit risk and market risk. The Group will strictly implement its risk monitoring and early warning duties to closely monitor and provide early warning and prevention in advance. The Group will strengthen compliance training, enhance compliance awareness among all employees, especially front-line business personnel, integrate compliance management throughout the entire business process, and strengthen the implementation of applicable regulatory requirements.

Management Discussion and Analysis

PROSPECTS AND DEVELOPMENT STRATEGIES (CONTINUED)

Development Strategies (Continued)

- (4) Strengthen the construction of investment banking talent training system. The Group will continue to broaden the recruitment channels, improve the efficiency and quality of recruitment and attract more talents with different backgrounds and skills to lay a solid foundation of human resources for the Company's development. The Group will establish a world-class international investment banking team, and strengthen talent mobility and exchanges with China Minsheng Bank.
- (5) Optimize the functional framework of the securities trading applications. The Group will continuously optimize the functional framework of the "Minying Future"(民贏未來) application to provide more efficient and secure wealth management services. The Group will establish a dual-channel, systematic user feedback collection and analysis mechanism which conduct internal insights and analysis by regularly organizing in-depth discussions among core teams such as product, operations, risk control, and customer service, and collect internal employees' user experiences and optimization suggestions through internal testing feedback, with particular focus on process efficiency and security design. Also, it can track real-user feedback through in-app feedback tools, targeted surveys, and focus group interviews to continuously collect genuine user experiences and improvement expectations. Based on this feedback, the Group will iterate product features, strengthen security measures, optimize user interaction experiences, and streamline service processes to eventually achieve a comprehensive enhancement of user experience.
- (6) Fully leverage the positive spillover effects of overseas research teams. Within the framework of China Minsheng Bank Group, establish the CMBC research premium brand to empower the Group's strategic initiatives. First, it can strengthen cross-border decision-making support by leveraging Hong Kong's geographical advantages to conduct in-depth research on overseas market dynamics, focusing on three key areas: virtual asset innovation, capital market reforms, and wealth management services, and provide cutting-edge policy recommendations to China Minsheng Banking. Second, it can promote the conversion of research value by leveraging the recovery of Hong Kong's capital market to precisely deliver professional research products to corporate and wealth management clients, providing global asset allocation and capital market strategy services to enhance client loyalty.

Management Discussion and Analysis

FINANCIAL RESULTS

During the Reporting Period, the Group's profit attributable to the owners of the Company was approximately HK\$117.9 million, as compared to a profit of approximately HK\$79.7 million in the Previous Period, representing a period-on-period increase of 48.0%. The Group's basic and diluted earnings per share was approximately 10.73 HK cents (basic and diluted earnings per share in the Previous Period: 7.16 HK cents).

Revenue

The Group's revenue increased by approximately 56.7% to approximately HK\$245.4 million during the Reporting Period from approximately HK\$156.7 million in the Previous Period. The increase in revenue was mainly due to a significant increase in underwriting fee and sponsorship fee income resulting from an increase in bond and equity underwriting projects and sponsorship projects, a significant period-on-period increase in asset management fee income resulting from adjustments to the fee rates for certain portfolios in the second half of last year, as well as an increase in fee income from wealth management-related business. The table below presents the breakdown of segment revenue (including net gains or losses from investment) and segment results during the Reporting Period with comparative figures for the Previous Period:

	Segment Revenue and Net Gains or Losses from Investment For the six months ended 30 June		Segment Results For the six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Securities	59,015	14,682	28,128	(562)
Fixed-income direct investment	52,942	43,530	(15,758)	(22,600)
Other investment and financing	25,019	103,761	15,969	92,990
Asset management	93,305	51,498	82,880	39,626
Corporate finance and advisory	42,937	25,783	25,779	13,623
Others	–	–	(3,186)	(20,810)
Total	273,218	239,254	133,812	102,267

Management Discussion and Analysis

FINANCIAL RESULTS (CONTINUED)

Securities Segment

The Group's securities business mainly includes the provision of brokerage services, securities margin financing and securities underwriting/placing business to clients.

During the Reporting Period, the revenue contributed by the securities segment increased to approximately HK\$59.0 million, while the segment results experienced a profit of HK\$28.1 million, representing a period-on-period turnaround from loss to profit, and the revenue and loss amounted to approximately HK\$14.7 million and HK\$0.6 million, respectively, in the Previous Period. The increase in segment revenue was mainly due to the increase in bond underwriting business and the increase in interest income from securities margin financing as a result of the increase in receivables from margin clients, while the turnaround from loss to profit in segment results was mainly due to the significant increase in revenue.

Investment and Financing Segment

Fixed-income Direct Investment

During the Reporting Period, revenue and net investment gains and losses from the fixed-income direct investment segment, which included but is not limited to coupons from the bonds under direct investment, amounted to an aggregate of approximately HK\$52.9 million as compared to approximately HK\$43.5 million in the Previous Period. Segment loss decreased to approximately HK\$15.8 million, compared to a loss of approximately HK\$22.6 million for the Previous Period. The increase in segment revenue was mainly due to a period-on-period turnaround from loss to profit in investment gains and losses resulting from the overall gains generated from bond investment transactions during the Reporting Period; the decrease in segment loss was mainly due to the increase in net investment gains and losses and the reduction in interest expenses arising from repurchase agreements during the Reporting Period as a result of decrease in interest rates.

Other Investment and Financing

During the Reporting Period, revenue and net investment gains and losses from the other investment and financing segment, which included but is not limited to coupons, dividends and distribution income from bonds (other than those under fixed-income direct investment), listed equities, unlisted equity interests and unlisted funds, amounted to an aggregate of approximately HK\$25.0 million as compared to approximately HK\$103.8 million in the Previous Period. The segment revenue and net investment gains and losses decreased significantly because the increase in the fair value of the investments was significantly smaller than that in the Previous Period. The segment profit decreased to approximately HK\$16.0 million, compared to a profit of approximately HK\$93.0 million for the Previous Period. The decrease in segment profit was mainly due to the significant decrease in segment revenue and net investment gains and losses.

Management Discussion and Analysis

FINANCIAL RESULTS (CONTINUED)

Investment and Financing Segment (Continued)

Other Investment and Financing (Continued)

The following table sets out the breakdown of investment and financing:

	30 June 2025 HK\$'000	31 December 2024 HK\$'000
Investment		
Listed equities (measured at FVTPL)	442	810
Listed equities (measured at FVOCI)	11,813	28,087
Unlisted equity interests	43,111	40,552
Bonds (measured at FVOCI)	1,439,324	1,511,889
Bonds (measured at FVTPL)	430,929	188,567
Bonds (measured at amortised costs)	15,831	15,644
Unlisted funds	743,353	691,032
Total	2,684,803	2,476,581
Financing		
Loans and advances	20,278	21,810

As at 30 June 2025, the Group's investment portfolio mainly included but is not limited to listed equities, bonds, unlisted equity interests and unlisted funds, covering a wide range of sectors such as industrial, healthcare, technology, consumer goods, real estate and finance.

As at 30 June 2025, the proprietary investment assets of the Group amounted to approximately HK\$2.7 billion (31 December 2024: HK\$2.5 billion), including bond investments of approximately HK\$1.9 billion (31 December 2024: HK\$1.7 billion). The future performance of such a portfolio will depend on many factors, including uncertainties in the financial markets, the economic development trends in both Hong Kong and the Mainland China and investors' sentiment.

During the Reporting Period, the Group's investment portfolio generated a revenue of approximately HK\$50.2 million (Previous Period: HK\$62.4 million) in total, including interest income of approximately HK\$16.6 million (Previous Period: HK\$22.8 million) from debt securities investments, interest income of approximately HK\$7.1 million (Previous Period: HK\$5.6 million) from FVTPL investments and dividend income and other investment income of approximately HK\$26.5 million (Previous Period: HK\$34.0 million).

Management Discussion and Analysis

FINANCIAL RESULTS (CONTINUED)

Investment and Financing Segment (Continued)

Other Investment and Financing (Continued)

For investments classified as financial assets measured at FVOCI and FVTPL, the Group recorded a net gain during the Reporting Period which mainly comprised: (i) net gain recognised in the condensed consolidated statement of profit or loss and other comprehensive income; (ii) net loss not recycled through profit or loss upon disposal of financial assets measured at FVOCI; and (iii) change in fair value loss recognised in fair value reserve through other comprehensive income.

The unlisted direct investment business of the Group, which include equity interests and funds, mainly focuses on high-tech innovative enterprises and consumer goods enterprises.

The Group engages in financing and loan provision business in the capacity of an “exempted person” as defined under the Money Lenders Ordinance which does not require a licence under the Money Lenders Ordinance. The Group conducts the relevant business by relying on the said exemption by virtue of China Minsheng Bank, being a bank, i.e. an authorised institution, which holds a valid banking licence under the Banking Ordinance (Cap. 155, Laws of Hong Kong).

The financing business of the Group focuses on short-to-mid term financing so as to maintain the flexibility and high liquidity of the Group’s asset allocation. During the Reporting Period, the Group had loans due from two market participants, all of which are different types of market participants in the non-essential consumer goods industry; the overall credit and operational risks of the Group’s financing business are controllable through the Group’s thorough pre-investment, peri-investment and post investment management, the setting up of practicable risk control measures and the stringent risk review of customers and projects. The Group constantly monitors and adjusts the concentration, maturity profile and risk-to-revenue ratio of its asset portfolio, in order to strike a balance between the overall risk and revenue generation.

Asset Management Segment

During the Reporting Period, the Group’s asset management segment recorded a revenue of approximately HK\$93.3 million, as compared to approximately HK\$51.5 million in the Previous Period, and a segment profit of approximately HK\$82.9 million was recorded during the Reporting Period, as compared to approximately HK\$39.6 million in the Previous Period. The increase in segment revenue and profit was due to adjustments to the fee rates for certain portfolios in the second half of last year, resulting in a significant period-on-period increase in revenue.

Management Discussion and Analysis

FINANCIAL RESULTS (CONTINUED)

Corporate Finance and Advisory Segment

During the Reporting Period, the Hong Kong capital market performed well overall, with the IPO market experiencing a strong rebound. Additionally, benefiting from the trend of companies of mainland China being encouraged to list in Hong Kong this year, the Group's corporate finance and advisory segment recorded a revenue of approximately HK\$42.9 million, as compared to approximately HK\$25.8 million in the Previous Period. Segment profit of approximately HK\$25.8 million is recorded during the Reporting Period, as compared to a segment profit of approximately HK\$13.6 million in the Previous Period. The increase in segment revenue and segment results was primarily due to the increase in the Group's sponsorship income and equity underwriting income during the Reporting Period.

Administrative Expenses and Finance Costs

Administrative expenses and finance costs for the Reporting Period amounted to approximately HK\$134.1 million in aggregate as compared to approximately HK\$136.7 million in the Previous Period. The analysis and breakdown of the administrative expenses and finance costs are set out below:

	For the six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Staff costs	45,758	40,588
Depreciation	10,643	11,085
Other operating expenses	29,288	26,811
Finance costs	48,368	58,174
Total	134,057	136,658

The increase in staff costs was mainly due to the increase in staff headcount.

The increase in other operating expenses was mainly due to the incurrence of commission from wealth management-related business during the Reporting Period.

The decrease in finance costs was mainly due to the decrease in interest rates of repurchase agreements.

Management Discussion and Analysis

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Capital Structure

As at 30 June 2025, the total number of the issued Shares with a par value of HK\$0.4 each was 1,099,255,693 (including 2,287,000 Shares repurchased for cancellation but not yet cancelled) (31 December 2024: 1,099,255,693 (no Shares repurchased for cancellation but not yet cancelled)) and the total equity attributable to the Shareholders was approximately HK\$1,556.2 million (31 December 2024: HK\$1,388.8 million).

During the Reporting Period, no Shares had been purchased or granted to selected persons of the Group under the Share Award Scheme.

Liquidity and Financial Resources

The Group primarily financed its operations with internally-generated cash flows, borrowings, internal resources and Shareholders' equity.

As at 30 June 2025, the Group had current assets of approximately HK\$4,885.0 million (31 December 2024: HK\$3,774.1 million) and liquid assets comprising cash (excluding cash held on behalf of customers), investment in listed equity securities and debt investments totaling approximately HK\$2,468.2 million (31 December 2024: HK\$1,954.5 million).

The Group's current ratio as at the end of the Reporting Period, calculated based on current assets of approximately HK\$4,885.0 million (31 December 2024: HK\$3,774.1 million) over current liabilities of approximately HK\$3,375.2 million (31 December 2024: HK\$2,429.5 million), was approximately 1.4 (31 December 2024: 1.6).

The Group's finance costs for the Reporting Period mainly comprised the interest on loans from CMBCI of approximately HK\$30.3 million (Previous Period: HK\$21.6 million), interest on repurchase agreements of approximately HK\$17.5 million (Previous Period: HK\$35.6 million) and interest on lease liabilities of approximately HK\$0.6 million (Previous Period: HK\$1.0 million).

Management Discussion and Analysis

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE (CONTINUED)

Liquidity and Financial Resources (Continued)

As at 30 June 2025, the Group's indebtedness, which mainly comprised loans from CMBCI and financial assets sold under repurchase agreements, was approximately HK\$2,434.7 million (31 December 2024: HK\$1,951.0 million). The principal of the loans from CMBCI of approximately HK\$1,353.2 million (31 December 2024: HK\$1,261.1 million) were denominated in Hong Kong dollars and United States dollars, bearing interests at 4.5% per annum (2024: 4% per annum) and were repayable within one year. As at 30 June 2025, the Group entered into repurchase agreements with financial institutions to sell bonds recognized as financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit and loss, with carrying amount of approximately HK\$1,346.3 million (31 December 2024: financial assets at fair value through other comprehensive income, financial assets at amortised cost and financial assets at fair value through profit or loss with carrying amount of approximately HK\$957.7 million), which are subject to simultaneous agreements to repurchase these investments at the agreed dates and prices.

The Group's gearing ratio as at the end of the Reporting Period, calculated on the basis of total indebtedness divided by the sum of total indebtedness and equity attributable to the Company's owners, was approximately 61.0% (31 December 2024: 58.4%).

With the amount of liquid assets on hand, the management of the Group is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

PLEDGE OF ASSETS

Except as otherwise disclosed, as at 30 June 2025, the Group did not have other pledge or charge on assets (31 December 2024: Nil).

CONTINGENT LIABILITY

As at 30 June 2025, the Group did not have any significant contingent liabilities (31 December 2024: Nil).

SIGNIFICANT INVESTMENTS HELD

During the Reporting Period, the Group did not hold any single significant investment which accounted for over 5% of the total assets.



Management Discussion and Analysis

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

There is no specific plan for material investments or capital assets as at 30 June 2025. In the event that the Group has any plans for material investments or capital assets, the Company will make announcement(s) in compliance with relevant requirements under the Listing Rules as and when appropriate.

CAPITAL COMMITMENT

As at 30 June 2025, the Group did not have any significant capital commitments (31 December 2024: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

During the Reporting Period, the Group had no material acquisitions or disposals of subsidiaries and associates.

FOREIGN CURRENCY RISK MANAGEMENT

The Group's revenue is mainly denominated in United States dollars and Hong Kong dollars while its expenditure is mainly denominated in Hong Kong dollars. The Group's foreign exchange exposure is mainly from the translation of assets and liabilities denominated in United States dollars. The Group does not use derivative financial instruments to hedge its foreign currency risk. As Hong Kong dollars are pegged to United States dollars, the Directors believe that the Group's foreign exchange exposure is manageable and the Group will closely monitor this risk exposure from time to time.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 30 June 2025, the Group had about 100 (30 June 2024: 88) employees. For the Reporting Period, the total staff costs, including Directors' remuneration, was approximately HK\$45.8 million (Previous Period: HK\$40.6 million). Remuneration packages for employees are structured by reference to market terms, individual competence, performance and experience. Benefit plans maintained by the Group include the mandatory provident fund scheme, subsidised training program, share award scheme and discretionary bonuses.

Other Information

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this interim report, there were no significant events after the Reporting Period and up to the date of this interim report.

RISK MANAGEMENT CAPABILITIES

The Group continues to strengthen its overall risk management capabilities, and has always attached great importance to risk management and internal control. The Board has established the Risk Management and Internal Control Committee to monitor the Group's overall risk management structure and determine the Company's overall risk appetite. The Group implements comprehensive risk management and adopts a pragmatic approach to manage different risks according to professional categories, mainly including credit risk, market risk, legal compliance risk, operational risk and liquidity risk. The Group has established comprehensive internal control procedures to monitor, evaluate and manage risks involved in various businesses. The Group strictly implements various risk management work in accordance with the existing governance structure, enhances the culture and concept of risk management and compliance and continues to improve risk management measures and internal monitoring systems.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the Reporting Period (Previous Period: Nil).

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on 19 February 2016 (the "**Adoption Date**"). For further details of the Share Award Scheme, please refer to the Company's announcement dated 19 February 2016 (the "**Adoption Announcement**").

As disclosed in the Adoption Announcement, the Share Award Scheme was not subject to the provisions of Chapter 17 of the Listing Rules. However, the Stock Exchange made amendments to Chapter 17 of the Listing Rules in July 2022, which took effect on 1 January 2023. The amended scope of application of Chapter 17 of the Listing Rules covers the Share Award Scheme. Therefore, the operation of the Share Award Scheme is subject to the provisions of the revised Chapter 17 of the Listing Rules from 1 January 2023. In addition, according to the transitional arrangements provided by the Stock Exchange, the Company can only grant shares to eligible participants as defined in Chapter 17 of the revised Listing Rules under the Share Award Scheme.

Other Information

SHARE AWARD SCHEME (CONTINUED)

Since the Adoption Date, the Company has not granted any share awards under the Share Award Scheme. Accordingly, at the beginning and end of the Reporting Period, the total number of share awards available for grant under the Share Award Scheme was 114,446,894 shares.

As the Company has yet to set and seek Shareholders' approval for setting sublimit (as defined in Rule 17.03(3) of the Listing Rules) under the Share Award Scheme pursuant to Rule 17.03B(2) of the Listing Rules, no share awards can be granted to service providers (as defined in Rule 17.03A(1)(c) of the Listing Rules) under the Share Award Scheme as at the beginning and the end of the Reporting Period.

Save as the abovementioned Share Award Scheme, the Company does not have any other share award schemes or share option schemes during the Reporting Period.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, none of the Directors nor the chief executive of the Company or their respective associates had any interest or short position 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 were required to be and were recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" and "Share Award Scheme" above, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangements which would enable the Directors to acquire benefits by means of an acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or their spouse or minor children had any rights to subscribe for the securities of the Company, or had exercised any such rights during the Reporting Period.

Other Information

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2025, according to public information available on the website of the Stock Exchange and to the knowledge of the Directors, the following Shareholders, other than a Director or the chief executive of the Company, had an interest in the Shares which was recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Shareholder	Capacity/ nature of interest	Number of Shares held	Approximate percentage of the issued Shares of the Company	Long position/ Short position
China Minsheng Bank	Interest of controlled corporations	760,588,477 (Note)	69.19%	Long position
CMBCI	Interest of controlled corporation	758,166,477 (Note)	68.97%	Long position
	Beneficial owner	2,422,000 (Note)	0.22%	Long position
		760,588,477	69.19%	
CMBC International Investment	Beneficial owner	758,166,477 (Note)	68.97%	Long position

Note: CMBC International Investment is beneficially and wholly-owned by CMBCI, which is in turn beneficially and wholly-owned by China Minsheng Bank. As such, each of CMBCI and China Minsheng Bank is deemed to be interested in the Shares held by CMBC International Investment and China Minsheng Bank is deemed to be interested in the Shares held by CMBCI.

Save as disclosed above, as at 30 June 2025, according to public information available on the website of the Stock Exchange and to the knowledge of the Directors, no companies or persons, other than a Director or the chief executive of the Company, had an interest or short position in the Shares and underlying Shares which was recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE

The Company has complied with all applicable provisions of the CG Code throughout the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirms that all Directors have complied with the required standards as set out in the Model Code throughout the Reporting Period.

Other Information

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated financial statements of the Company for the Reporting Period have been reviewed by the audit committee of the Company, which was of the opinion that such unaudited condensed consolidated financial statements 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.

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

The Board considered that the repurchase of Shares could increase the net asset value per Share, so the Company repurchased a total of 2,287,000 Shares on the Stock Exchange, with a total consideration (before transaction costs) of approximately HK\$0.65 million during the Reporting Period. As at the end of the Reporting Period, 2,287,000 Shares have been repurchased and were pending cancellation, and no Share has been repurchased and held as a treasury share. As at the date of this interim report, all repurchased Shares have been cancelled.

Details of the repurchases are as follows:

Month of repurchase	Total Shares repurchased	Highest price paid per Share (HK\$)	Lowest price paid per Share (HK\$)	Total consideration paid (HK\$'000)
April	1,826,000	0.330	0.235	518
May	461,000	0.305	0.280	134
Total	2,287,000			652

Save as disclosed above, neither the Company, nor any of its subsidiaries, purchased, sold or redeemed any of the Company's listed securities (including treasury shares) during the Reporting Period.

Li Baochen
Chairman

Hong Kong, 28 August 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

		Six months ended 30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
	Notes		
Revenue	4	245,439	156,673
Net gains on financial assets/liabilities at fair value through profit or loss ("FVTPL")		28,915	93,994
Net losses on financial assets at fair value through other comprehensive income ("FVOCI")		(1,136)	(11,413)
Other income	5	6,963	9,630
Other gains/(losses)	6	23,815	(261)
Impairment losses	7	(36,127)	(9,698)
Staff costs		(45,758)	(40,588)
Depreciation		(10,643)	(11,085)
Other operating expenses		(29,288)	(26,811)
Finance costs	8	(48,368)	(58,174)
Profit before taxation	9	133,812	102,267
Taxation	10	(15,882)	(22,594)
Profit for the period attributable to owners of the Company		117,930	79,673
		HK cents	HK cents
Earnings per share attributable to owners of the Company	11		
– Basic		10.73	7.16
– Diluted		10.73	7.16

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	Six months ended 30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Profit for the period attributable to owners of the Company	117,930	79,673
Other comprehensive income		
Item that will not be reclassified to profit or loss:		
– Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)	31,437	31,817
Item that may be reclassified subsequently to profit or loss:		
– Financial assets at fair value through other comprehensive income – net movement in fair value reserve (recycling)	18,669	27,824
Other comprehensive income for the period, net of tax	50,106	59,641
Total comprehensive income for the period attributable to owners of the Company	168,036	139,314

The notes on pages 29 to 54 form part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment		7,333	5,189
Right-of-use asset		27,210	36,814
Goodwill		16,391	16,391
Intangible assets		960	960
Other assets		10,385	11,080
		62,279	70,434
Current assets			
Accounts receivable	14	767,815	778,325
Prepayments, deposits and other receivables		70,320	9,706
Interest receivables		30,803	27,770
Loans and advances	13	20,278	21,810
Financial assets at amortised cost		15,831	15,644
Financial assets at fair value through other comprehensive income	15	1,451,137	1,539,976
Financial assets at fair value through profit or loss	16	1,217,835	920,961
Amount due from an intermediate holding company		20,435	–
Cash held on behalf of customers		692,271	211,321
Cash and cash equivalents		598,287	248,550
		4,885,012	3,774,063

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Current liabilities			
Accounts payable	17	738,707	270,481
Other payables and accruals		112,416	56,710
Amount due to an intermediate holding company		–	103,232
Loans from an intermediate holding company	18	1,402,441	1,234,965
Tax payable		17,985	7,003
Financial assets sold under repurchase agreements	19	1,081,491	734,923
Lease liabilities		22,188	22,188
		3,375,228	2,429,502
Net current assets		1,509,784	1,344,561
Total assets less current liabilities		1,572,063	1,414,995
Non-current liabilities			
Lease liabilities		8,524	19,005
Deferred tax liabilities		7,385	7,220
		15,909	26,225
NET ASSETS		1,556,154	1,388,770
CAPITAL AND RESERVES			
Share capital	20	439,702	439,702
Reserves		1,116,452	949,068
TOTAL EQUITY		1,556,154	1,388,770

The notes on pages 29 to 54 form part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Note	Attributable to owners of the Company							
		Share capital HK\$'000	Share premium HK\$'000	Contributed surplus* HK\$'000	Fair value reserve (recycling) HK\$'000	Fair value reserve (non-recycling) HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 31 December 2024 (audited)		439,702	1,615,202	1,823,745	(47,202)	(57,142)	761	(2,386,296)	1,388,770
Profit for the period		-	-	-	-	-	-	117,930	117,930
Other comprehensive income		-	-	-	18,669	31,437	-	-	50,106
Total comprehensive income		-	-	-	18,669	31,437	-	117,930	168,036
Disposal of equity investments at fair value through other comprehensive income		-	-	-	-	322 [#]	-	(322) [#]	-
Shares repurchased but not yet cancelled	20(i)	-	-	-	-	-	(652)	-	(652)
At 30 June 2025 (unaudited)		439,702	1,615,202	1,823,745	(28,533)	(25,383)	109	(2,268,688)	1,556,154

	Attributable to owners of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus* HK\$'000	Fair value reserve (recycling) HK\$'000	Fair value reserve (non-recycling) HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 31 December 2023 (audited)	447,745	1,614,322	1,823,745	(93,126)	(105,853)	(3,751)	(2,430,380)	1,252,702
Profit for the period	-	-	-	-	-	-	79,673	79,673
Other comprehensive income	-	-	-	27,824	31,817	-	-	59,641
Total comprehensive income	-	-	-	27,824	31,817	-	79,673	139,314
Disposal of equity investments at fair value through other comprehensive income	-	-	-	-	6,128*	-	(6,128)*	-
Shares repurchased but not yet cancelled	-	-	-	-	-	(1,553)	-	(1,553)
Shares repurchased and cancelled	(4,544)	(555)	-	-	-	4,512	-	(587)
At 30 June 2024 (unaudited)	443,201	1,613,767	1,823,745	(65,302)	(67,908)	(792)	(2,356,835)	1,389,876

* Contributed surplus is a distributable reserve and will be used for payment of dividends.

Amounts reclassified to accumulated losses upon disposal of equity investments at fair value through other comprehensive income.

The notes on pages 29 to 54 form part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended	
	30 June 2025 HK\$'000 (Unaudited)	30 June 2024 HK\$'000 (Unaudited)
Net cash from operating activities	244,851	871,248
Net cash used in investing activities		
Purchases of property, plant and equipment	(3,183)	(217)
	(3,183)	(217)
Net cash from/(used in) financing activities		
Repurchase of shares	(652)	(2,140)
New borrowings raised	448,654	132,086
Repayments of borrowings	(313,625)	(1,121,869)
Principal and interest elements of lease payments	(11,094)	(8,667)
	123,283	(1,000,590)
Net increase/(decrease) in cash and cash equivalents	364,951	(129,559)
Cash and cash equivalents at the beginning of the period	248,550	436,102
Effect of foreign exchange rate changes, net	(15,214)	850
Cash and cash equivalents at the end of the period	598,287	307,393

The notes on pages 29 to 54 form part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1 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, 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 28 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.

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 HKFRS Accounting Standards.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3 SEGMENT INFORMATION

In a manner consistent with the way in which information is reported internally to the Group's management, being the chief operating decision makers, for the purpose of resources allocation and assessment of segment performance focusing on types of services provided, the Group has presented the following reportable segments:

- the "securities" segment representing the business line of provision of brokerage services, securities margin financing services to clients and debt securities underwriting/placing;
- the "fixed-income direct investment" segment representing direct investment and trading activities in fixed-income securities;
- the "other investment and financing" segment representing investment and trading activities in equity securities, bonds and funds other than direct investment and trading activities in fixed-income securities, and provision of loan financing services;
- the "asset management" segment representing provision of asset management services to clients;
- the "corporate finance and advisory" segment representing provision of sponsorship, equity underwriting, financial advisory and financial arrangement services to clients, and provision of client referral services; and
- the "others" segment primarily includes head office operations as well as interest income and interest expense incurred for generating working capital for general operations.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3 SEGMENT INFORMATION (continued)

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by service lines is as follows:

	Six months ended 30 June 2025 HK\$'000	30 June 2024 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by service lines		
– Commission income from brokerage and related services	4,751	5,478
– Commission income from underwriting, sub-underwriting, placing and sub-placing	49,380	10,442
– Financial advisory, sponsorship, arrangement fee and other service income	36,139	23,655
– Asset management fee, investment advisory services fee and performance fee income	93,305	51,498
	183,575	91,073
Revenue from other sources		
Loan and financing		
– Interest income from provision of finance and securities margin financing	11,682	3,185
Financial investments		
– Interest income from debt securities investments	16,615	22,801
– Interest income from FVTPL investments	7,083	5,583
– Dividend income and other investment income	26,484	34,031
	50,182	62,415
	245,439	156,673

The Group's revenue from continuing operation from external customers are located in Hong Kong.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3 SEGMENT INFORMATION (continued)

Disaggregation of revenue (continued)

Disaggregation of revenue is set out below:

For the six months ended	Securities		Fixed-income direct investment		Other investment and financing		Asset management		Corporate finance and advisory		Total	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15	47,333	13,792	-	-	-	-	93,305	51,498	42,937	25,783	183,575	91,073
Revenue from other sources												
Loan and financing												
- Interest income from provision of finance and securities margin financing	11,682	890	-	-	-	2,295	-	-	-	-	11,682	3,185
Financial investments												
- Interest income from debt securities investments	-	-	16,615	22,801	-	-	-	-	-	-	16,615	22,801
- Interest income from FVTPL investments	-	-	6,970	5,235	113	348	-	-	-	-	7,083	5,583
- Dividend income and other investment income	-	-	26,221	34,031	263	-	-	-	-	-	26,484	34,031
	-	-	49,806	62,067	376	348	-	-	-	-	50,182	62,415
Reportable segment revenue	59,015	14,682	49,806	62,067	376	2,643	93,305	51,498	42,937	25,783	245,439	156,673

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3 SEGMENT INFORMATION (continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

	Six months ended 30 June 2025						
	Securities HK\$'000	Fixed- income direct investment HK\$'000	Other investment and financing HK\$'000	Asset management HK\$'000	Corporate finance and advisory HK\$'000	Others HK\$'000	Total HK\$'000
Segment revenue and investment gains/(losses)							
– Reportable segment revenue	59,015	49,806	376	93,305	42,937	–	245,439
– Net gains on financial assets/ liabilities at fair value through profit or loss	–	4,272	24,643	–	–	–	28,915
– Net losses on financial assets at fair value through other comprehensive income	–	(1,136)	–	–	–	–	(1,136)
	59,015	52,942	25,019	93,305	42,937	–	273,218
Other income	1,200	595	124	–	1	5,043	6,963
Other gains and losses	6,250	(2,330)	2,085	1,445	93	16,272	23,815
Segment expenses	(38,337)	(66,965)	(11,259)	(11,870)	(17,252)	(24,501)	(170,184)
Segment results	28,128	(15,758)	15,969	82,880	25,779	(3,186)	133,812

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3 SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

	Six months ended 30 June 2024						Total HK\$'000
	Securities HK\$'000	Fixed- income direct investment HK\$'000	Other investment and financing HK\$'000	Asset management HK\$'000	Corporate finance and advisory HK\$'000	Others HK\$'000	
Segment revenue and investment gains/(losses)							
– Reportable segment revenue	14,682	62,067	2,643	51,498	25,783	–	156,673
– Net gains/(losses) on financial assets/liabilities at fair value through profit or loss	–	(7,124)	101,118	–	–	–	93,994
– Net losses on financial assets at fair value through other comprehensive income	–	(11,413)	–	–	–	–	(11,413)
	14,682	43,530	103,761	51,498	25,783	–	239,254
Other income	2,144	1,889	60	–	67	5,470	9,630
Other gains and losses	(12)	360	(157)	(21)	(74)	(357)	(261)
Segment expenses	(17,376)	(68,379)	(10,674)	(11,851)	(12,153)	(25,923)	(146,356)
Segment results	(562)	(22,600)	92,990	39,626	13,623	(20,810)	102,267

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3 SEGMENT INFORMATION (continued)

Segment assets and liabilities

	As at 30 June 2025						
	Securities HK\$'000	Fixed- income direct investment HK\$'000	Other investment and financing HK\$'000	Asset management HK\$'000	Corporate finance and advisory HK\$'000	Others HK\$'000	Total HK\$'000
Assets							
Segment assets	1,749,393	2,014,144	870,954	147,498	60,955	104,347	4,947,291
Liabilities							
Segment liabilities	1,293,122	1,953,401	83,912	15,937	–	44,765	3,391,137
	As at 31 December 2024						
	Securities HK\$'000	Fixed- income direct investment HK\$'000	Other investment and financing HK\$'000	Asset management HK\$'000	Corporate finance and advisory HK\$'000	Others HK\$'000	Total HK\$'000
Assets							
Segment assets	1,082,353	1,721,494	830,220	92,038	33,494	84,898	3,844,497
Liabilities							
Segment liabilities	725,522	1,643,011	68,259	7,128	–	11,807	2,455,727

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

4 REVENUE

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Commission income from brokerage and related services	4,751	5,478
Commission income from underwriting, sub-underwriting, placing and sub-placing	49,380	10,442
Interest income from debt securities investments	16,615	22,801
Interest income from FVTPL investments	7,083	5,583
Interest income from provision of finance and securities margin financing	11,682	3,185
Dividend income and other investment income	26,484	34,031
Financial advisory, sponsorship, arrangement fee and other service income	36,139	23,655
Asset management fee, investment advisory services fee and performance fee income	93,305	51,498
	245,439	156,673

5 OTHER INCOME

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Bank interest income	1,104	3,905
Office sharing fee income	4,440	4,440
Other income	1,419	1,285
	6,963	9,630

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6 OTHER GAINS/(LOSSES)

	Six months ended 30 June 2025 HK\$'000	30 June 2024 HK\$'000
Net exchange gains/(losses)	23,815	(261)

7 IMPAIRMENT LOSSES

	Six months ended 30 June 2025 HK\$'000	30 June 2024 HK\$'000
Provision/(reversal) of impairment losses on		
– Loans and advances (Note 13)	3,578	134
– Accounts receivable (Note 14)	(209)	1,387
– Financial assets at fair value through other comprehensive income (Note 15)	31,398	6,569
– Interest receivables	1,370	1,588
– Financial assets held under resale agreements	–	21
– Financial assets at amortised cost	(10)	(1)
	36,127	9,698

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

8 FINANCE COSTS

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Interest expenses on:		
Loans from an intermediate holding company	30,265	21,604
Repurchase agreements	17,490	35,613
Lease liabilities	613	957
	48,368	58,174

9 PROFIT BEFORE TAXATION

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
The Group's profit before taxation is arrived at after charging:		
Depreciation of property, plant and equipment	1,039	1,481
Depreciation of right-of-use asset	9,604	9,604

10 TAXATION

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Current period – Hong Kong Profits Tax	(15,716)	(7,216)
Deferred tax charged for the period	(166)	(15,378)
	(15,882)	(22,594)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both periods.

The Group is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("**Pillar Two**") published by the Organisation for Economic Co-operation and Development.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10 TAXATION (continued)

From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR. The Group may be subject to top-up tax as the effective tax rate of the Group's operations in Hong Kong is expected to be lower than 15%.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

11 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Six months ended	
	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Earnings		
Profit attributable to owners of the Company for the purpose of basic and diluted earnings per share	117,930	79,673
	Six months ended	
	30 June 2025 '000	30 June 2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,099,256	1,113,120

The denominators used are the same as those detailed above for the basic and diluted earnings per share.

There was no dilutive items during the six months ended 30 June 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

12 DIVIDENDS

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (Previous Period: Nil).

13 LOANS AND ADVANCES

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Loans and advances	258,546	256,500
Less: Allowance for expected credit losses	(238,268)	(234,690)
	20,278	21,810

The carrying amounts of the above loans and advances as at 30 June 2025 and 31 December 2024 are due within one year and presented under current assets.

Certain loans and advances were secured and/or backed by guarantees or collaterals. Regular reviews on these loans are conducted by the risk management department based on the latest status of these loans, and the latest available information about the borrowers and the underlying collaterals held.

During the six months ended 30 June 2025, impairment losses of approximately HK\$3,578,000 was recognised (for the six months ended 30 June 2024: HK\$134,000) in the condensed consolidated statement of profit or loss and other comprehensive income. As at 30 June 2025, loans and advances to independent third parties with gross carrying amount of HK\$258,546,000 (31 December 2024: HK\$256,500,000) were assessed as credit-impaired and included in stage 3. Allowance for expected credit losses of HK\$238,268,000 (31 December 2024: HK\$234,690,000) was measured and recognised, which represented the difference between the outstanding loan balances and the expected recoverable amounts (taking into account of the underlying collaterals).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14 ACCOUNTS RECEIVABLE

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Accounts receivable arising from the ordinary course of business of securities brokerage, futures and options dealing services:		
– Clearing houses	254,717	306,354
– Cash clients	21,963	42,358
– Margin clients	515,063	476,217
– Brokers	5,136	18,265
	796,879	843,194
Accounts receivable arising from the ordinary course of business of securities underwriting	14,801	6,808
Accounts receivable arising from the ordinary course of business of advisory and client referral services	9,827	2,368
Accounts receivable arising from the ordinary course of business of asset management services	51,646	31,502
	873,153	883,872
Less: Allowance for expected credit losses	(105,338)	(105,547)
	767,815	778,325

Accounts receivable arising from the business of dealing in securities

The normal settlement terms of accounts receivable from clients and clearing houses, except for accounts receivable due from margin clients, arising from the ordinary course of business of securities brokerage services are two trading days after the trade date. No ageing analysis is disclosed as, in the opinion of directors of the Company, an ageing analysis does not give additional value in view of the nature of this business.

Accounts receivable due from margin clients are repayable on demand and carry interest at 1.5% to 18.3% per annum during the six months ended 30 June 2025 (during the year ended 31 December 2024: 4.6% to 18.9% per annum). The fair values of the pledged securities as at 30 June 2025 was approximately HK\$2,872,101,000 (31 December 2024: HK\$2,790,299,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

14 ACCOUNTS RECEIVABLE (continued)

Accounts receivable arising from the business of dealing in securities (continued)

During the six months ended 30 June 2025, reversal of impairment losses of approximately HK\$209,000 was recognised (for the six months ended 30 June 2024: impairment losses of approximately HK\$1,387,000) in the condensed consolidated statement of profit or loss and other comprehensive income.

As at 30 June 2025, the Group has concentration risk on its accounts receivable as the balance with the largest client represent approximately 53% (31 December 2024: 55%) of the total accounts receivable from cash clients and margin clients. The Group has no other significant concentration risk.

Accounts receivable arising from the businesses of securities underwriting, advisory, client referral and asset management services

Ageing of accounts receivable arising from the ordinary course of business of securities underwriting, advisory, client referral and asset management services, based on the due date, is as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Not past due	56,267	29,937
Less than 31 days past due	11,557	459
31-60 days past due	2,281	3,995
61-90 days past due	468	1,820
Over 90 days past due	5,701	4,467
	76,274	40,678
Less: Allowance for expected credit losses	(2,713)	(2,713)
Total	73,561	37,965

The Group applies HKFRS 9 simplified approach to measure the expected credit losses for accounts receivable arising from the business of securities underwriting, advisory, client referral and asset management services. There were no impairment losses recognised in the condensed consolidated statement of profit or loss and other comprehensive income during the six months ended 30 June 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

15 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Listed, unlisted or quoted investments at fair value:		
Debt investments (Note)	527,113	703,534
Equity investments	924,024	836,442
	1,451,137	1,539,976

Note: The Group has further recognised expected credit losses amounting to approximately HK\$31,398,000 in the condensed consolidated statement of profit or loss and other comprehensive income during the six months ended 30 June 2025 (for the six months ended 30 June 2024: HK\$6,569,000). As at 30 June 2025, an allowance for expected credit losses amounting to approximately HK\$526,624,000 (31 December 2024: HK\$495,684,000) has been included in fair value reserve (recycling).

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Listed equity investments	40,642	118,488
Unlisted equity investments	43,111	40,552
Debt investments	390,729	70,889
Unlisted investment funds	743,353	691,032
	1,217,835	920,961

The fair values of the listed equity investments and debt investments were determined based on the quoted market prices.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

17 ACCOUNTS PAYABLE

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Accounts payable arising from the ordinary course of business of securities brokerage, futures and options dealing services:		
– Cash clients	530,498	99,978
– Margin clients	149,410	99,401
– Clearing houses	2,875	603
– Broker	55,924	70,499
	738,707	270,481

Accounts payable arising from the business of dealing in securities

The accounts payable balances arising from the ordinary course of business of securities brokerage services are normally settled in two trading days after the trade date except for the money held on behalf of clients at the segregated bank accounts which are repayable on demand. No ageing analysis is disclosed as, in the opinion of directors of the Company, an ageing analysis does not give additional value in view of the nature of this business.

18 LOANS FROM AN INTERMEDIATE HOLDING COMPANY

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Loans from an intermediate holding company	1,402,441	1,234,965
The carrying amounts of the above borrowings are repayable:		
Within one year	1,402,441	1,234,965

As at 30 June 2025, the Group had loans amounting to approximately HK\$1,353,219,000 (31 December 2024: HK\$1,216,061,000) from CMBC International Holdings Limited ("CMBCI"), an intermediate holding company, and interest payable amounting to approximately HK\$49,222,000 (31 December 2024: HK\$18,904,000). The loans are unsecured, bear interest at 4.5% per annum (2024: 4% per annum) and are repayable within one year (31 December 2024: within one year). The Group's undrawn amount of the loan facilities is approximately HK\$8,646,781,000 (31 December 2024: HK\$8,783,939,000).

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For the six months ended 30 June 2025

19 FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Bonds	1,081,491	734,923

As at 30 June 2025, the Group entered into repurchase agreements with financial institutions to sell bonds recognised as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss with aggregate carrying amount of approximately HK\$1,346,303,000 (31 December 2024: financial assets at fair value through other comprehensive income, financial assets at amortised cost and financial assets at fair value through profit or loss with carrying amount of approximately HK\$957,725,000), which are subject to the simultaneous agreements to repurchase these investments at the agreed dates and prices.

Sale and repurchase agreements are transactions in which the Group sells bonds and simultaneously agrees to repurchase them (or assets that are substantially the same) at agreed dates and prices. The repurchase prices are fixed and the Group is still exposed to substantially all the credit risks, market risks and rewards of those bonds sold. The bonds are not derecognised from the condensed consolidated financial statements but regarded as "collaterals" for the liabilities because the Group retains substantially all the risks and rewards of the bonds.

20 SHARE CAPITAL

	Number of shares		Amount	
	As at 30 June 2025 '000	As at 31 December 2024 '000	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Note				
Authorised:				
Ordinary shares at HK\$0.4 each	2,500,000	2,500,000	1,000,000	1,000,000
Issued and fully paid:				
At the beginning of the period/year	1,099,256	1,119,362	439,702	447,745
Cancellation for shares repurchased (i)	–	(20,106)	–	(8,043)
At the end of the period/year	1,099,256	1,099,256	439,702	439,702

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20 SHARE CAPITAL (continued)

Note:

- (i) During the six months ended 30 June 2025, the Company repurchased an aggregate of 2,287,000 ordinary shares of the Company on market at prices ranging from HK\$0.235 to HK\$0.330 per share at a total consideration of approximately HK\$652,000 (before transaction costs). No shares were cancelled during the six months ended 30 June 2025. Subsequent to the end of the Reporting Period, 2,287,000 repurchased shares were cancelled on 27 August 2025.

During the year ended 31 December 2024, the Company repurchased an aggregate of 10,643,000 ordinary shares of the Company on market at prices ranging from HK\$0.16 to HK\$0.56 per share with a total consideration of approximately HK\$2,651,000 (before transaction costs). These repurchased shares were cancelled during the year ended 31 December 2024. The discount of approximately HK\$880,000 on the repurchase of shares was credited to share premium account.

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Financial assets and liabilities measured at fair value on recurring basis

The following table provides an analysis of the Group's financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the fair value is observable for the six months ended 30 June 2025:

- Level 1 fair value measurements are quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as price) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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For the six months ended 30 June 2025

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Financial assets and liabilities measured at fair value on recurring basis (continued)

	Fair value		Fair Value hierarchy	Valuation techniques	Significant unobservable input
	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000			
Financial assets					
Financial assets at fair value through profit or loss					
– Listed equity investments	442	810	Level 1	Quoted market closing prices in an active market	N/A
– Listed equity investments	40,200	117,678	Level 2	Quoted price from brokers/financial institutions	N/A
– Debt investments	390,729	70,889	Level 2	Quoted price from brokers/financial institutions	N/A
– Unlisted equity investments	43,111	40,552	Level 3	Recent transaction price/Equity allocation model	Discount rate for lack of marketability/Scenario probability/Sales multiples
– Unlisted investment funds	743,353	691,032	Level 3	Recent transaction price/Calibration/Binomial model/Equity allocation model/Net asset value	Discount rate for lack of marketability/Scenario probability/Sales multiples/EBITDA multiples/Price-to-sales ratio
Financial assets at fair value through other comprehensive income					
– Debt investments	514,493	680,129	Level 2	Quoted price from brokers/financial institutions	N/A
– Debt investments	12,620	23,405	Level 3	Discounted cash flow model	Discount rate taking into account the credit risk of the issuer
– Equity investments	912,211	808,355	Level 2	Quoted price from brokers/financial institutions	N/A
– Equity investments	11,813	28,087	Level 1	Quoted market closing prices in an active market	N/A

During the periods under review, there were no transfers among Level 1, Level 2 and Level 3.

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21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Financial assets and liabilities measured at fair value on recurring basis (continued)

The movements during the six months ended 30 June 2025 and the year ended 31 December 2024 in the balance of these Level 3 fair value measurements are as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Financial assets at fair value through profit or loss		
Unlisted equity investments:		
At the beginning of the period/year	40,552	42,113
Changes in fair value recognised in profit or loss during the period/year	2,101	(1,303)
Exchange gain/(loss) recognised in profit or loss during the period/year	458	(258)
At the end of the period/year	43,111	40,552
Unlisted investment funds:		
At the beginning of the period/year	691,032	643,242
Capital contribution	22,185	24,098
Changes in fair value recognised in profit or loss during the period/year	22,314	27,883
Exchange gain/(loss) recognised in profit or loss during the period/year	7,822	(4,191)
At the end of the period/year	743,353	691,032

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For the six months ended 30 June 2025

21 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Financial assets and liabilities measured at fair value on recurring basis (continued)

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Financial assets at fair value through other comprehensive income		
Debt investments:		
At the beginning of the period/year	23,405	50,583
Derecognition	–	(23,890)
Changes in fair value recognised in other comprehensive income during the period/year	(10,785)	(3,288)
At the end of the period/year	12,620	23,405

Fair value measurements and valuation processes

The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market closing prices. The fair value of financial assets that are not traded in active liquid markets are determined using appropriate valuation techniques and inputs. The appropriateness of the valuation techniques and inputs to the fair value measurements are reviewed by the directors of the Company periodically.

Fair value of financial assets and liabilities that are not measured at fair value

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recognised at amortised cost approximate their fair values as at 30 June 2025 and 31 December 2024.

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For the six months ended 30 June 2025

22 RELATED PARTY TRANSACTIONS

The Group had the following related party transactions for the six months ended 30 June 2025 and 2024:

(a) Compensation of key management personnel of the Group

	Six months ended 30 June 2025 HK\$'000	30 June 2024 HK\$'000
Short-term employee benefits	450	450
Post-employment benefits	–	–
Total compensation to key management personnel	450	450

(b) Material transactions with related parties

Apart from transactions disclosed in other notes of the condensed consolidated financial statements, during the period ended 30 June 2025, the Group had the following material transactions with related parties.

	Six months ended 30 June 2025 HK\$'000	30 June 2024 HK\$'000
Interest expense to an intermediate holding company (Note (ii))	30,265	21,604
Interest income from a branch of the ultimate holding company	1	6
Asset management fee and investment advisory services fee income from an intermediate holding company, segregated portfolios invested by an intermediate holding company and the ultimate holding company and funds invested by an intermediate holding company (Note (iii))	90,157	48,798
Performance fee income from funds invested by an intermediate holding company (Note (iii))	90	–
Office sharing fee income from an intermediate holding company	4,440	4,440

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

22 RELATED PARTY TRANSACTIONS (continued)

(b) Material transactions with related parties (continued)

Notes:

- (i) At 30 June 2025, an intermediate holding company provided loans in an aggregate amount of approximately HK\$1,353,219,000 (31 December 2024: HK\$1,216,061,000) to the Group. The loans bear annual interest rate of 4.5% (2024: 4%) and repayable within one year (31 December 2024: within one year). Interest payable of approximately HK\$49,222,000 (31 December 2024: HK\$18,904,000) has been accrued from the loans as at 30 June 2025.
- (ii) During the periods, the Group earned asset management fee and investment advisory services fee income for services provided to an intermediate holding company, segregated portfolios invested by an intermediate holding company and the ultimate holding company and funds invested by an intermediate holding company. During the six months ended 30 June 2025, the Group also earned performance fee income for the asset management services provided to funds invested by an intermediate holding company.

All related party transactions referred to in Note 22(b) constitute connected transactions or continuing connected transactions defined in Chapter 14A of the Listing Rules ("**Chapter 14A**"). The Company has complied with the provisions of Chapter 14A for the periods ended 30 June 2025 and 2024.

(c) Material balances with related parties

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Bank balances at a branch of the ultimate holding company		
– House accounts	68,560	51,448
– Segregated accounts	96,069	52,434
Accounts receivable from an intermediate holding company	72,266	58,159
Accounts receivable from segregated portfolio and funds invested by an intermediate holding company	884	2,227
Amount due from an intermediate holding company	20,435	–
Amount due to an intermediate holding company	–	103,232
Loans from an intermediate holding company	1,402,441	1,234,965
Accounts payable to the immediate holding company	2,938	2,937
Accounts payable to an intermediate holding company	11,938	1,304

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For the six months ended 30 June 2025

22 RELATED PARTY TRANSACTIONS (continued)

(d) Service agreements with related parties

On 31 May 2019, the Company entered into an office sharing agreement with CMBCI, pursuant to which the Company agreed to grant CMBCI the non-exclusive right to use certain areas of the office space in consideration of the sharing fees payable by CMBCI. On 31 December 2019 and 9 December 2022, the Company entered into renewed office sharing agreements with CMBCI to renew the office sharing agreement.

On 16 December 2021, the Company (for itself and on behalf of other members of the Group) entered into a service agreement with China Minsheng Bank (for itself and on behalf of other members of China Minsheng Bank Group), pursuant to which, (i) China Minsheng Bank Group agreed to provide China Minsheng Bank underwriting referral services to the Group and the Group agreed to provide China Minsheng Bank subscription referral services to China Minsheng Bank Group; (ii) the Group agreed to provide asset management services, investment advisory service and ancillary services to the China Minsheng Bank Group, its associates or any third parties who are deemed to be connected with the Company under Rule 14A.20 of the Listing Rules and China Minsheng Bank Group agreed to provide distribution services to the Group; (iii) the Group agreed to provide underwriting services to China Minsheng Bank Group; (iv) China Minsheng Bank Group agreed to provide custodian services to the Group; and (v) China Minsheng Bank Group agreed to provide deposit services to the Group. The service agreement and the transactions contemplated thereunder, and the proposed annual caps were approved at the special general meeting on 12 January 2022.

On 29 November 2024, the Company (for itself and on behalf of other members of the Group) entered into the service agreement with China Minsheng Bank (for itself and on behalf of other members of China Minsheng Bank Group), pursuant to which, (a) the Group agreed to provide asset management services, investment advisory service and/or ancillary services to the China Minsheng Bank Group, its associates or any third parties who are deemed to be connected with the Company under Rule 14A.20 of the Listing Rules and China Minsheng Bank Group agreed to provide the distribution services to the Group; (b) the Group agreed to provide the underwriting services to China Minsheng Bank Group; and (c) China Minsheng Bank Group agreed to provide the deposit services to the Group. The service agreement and the transactions contemplated thereunder, and the proposed annual caps were approved at the special general meeting on 31 December 2024.

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For the six months ended 30 June 2025

22 RELATED PARTY TRANSACTIONS (continued)

(d) Service agreements with related parties (continued)

During the period ended 30 June 2025, there were transactions relating to provision of asset management and investment advisory services, provision of deposit services and office sharing (Previous Period: transactions relating to provision of asset management and investment advisory services, provision of deposit services and office sharing).

23 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Unlisted investment funds	743,353	691,032

The Group has concluded that the unlisted investment funds in which it invests, but that it does not consolidate meets the definition of structured entities because:

- the voting rights in the funds are not dominant rights in deciding who controls them as they relate to administrative tasks only;
- each fund's activities are restricted by its articles of associations; and/or
- the funds have narrow and well defined objectives to provide investment opportunities to investors.

The table below describes the type of structured entity that the Group does not consolidate but in which it holds an interest:

Type of structured entity	Nature and purpose	Interest held by the Group
Unlisted investment funds	To manage assets on behalf of third party investors	Acting as limited partner

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23 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES (continued)

The table below sets out interests held by the Group in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

	As at 30 June 2025	
	Number of investment funds	Carrying amount included in financial assets at fair value through profit or loss HK\$'000
Unlisted investment funds	7	743,353

	As at 31 December 2024	
	Number of investment funds	Carrying amount included in financial assets at fair value through profit or loss HK\$'000
Unlisted investment funds	7	691,032

During the six months ended 30 June 2025 and the year ended 31 December 2024, the Group did not provide financial support to the unconsolidated structured entities and has no intention of providing financial or other support.

24 IMMEDIATE AND ULTIMATE HOLDING COMPANIES

The immediate holding company is CMBC International Investment Limited, which is incorporated in the British Virgin Islands, and the ultimate controlling company is China Minsheng Banking Corp., Ltd., which is incorporated in the People's Republic of China.