

# SUNWAH KINGSWAY 新華滙富

Sunwah Kingsway Capital Holdings Limited  
新華滙富金融控股有限公司

Incorporated in Bermuda with limited liability

Stock Code: 00188



## Collaborate together to achieve success

Interim Report

# 2025/26

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Sunwah Kingsway is committed to the core values of integrity, teamwork, respect, responsibility and the pursuit of excellence.

*We believe that successful companies are built on these core values, the same ones that align and guide our thinking and actions in every area of our business.*

*Our established core values have served our Group well and will continue to guide our growth into the future.*

# Corporate Information

## GENERAL INFORMATION

### CHAIRMAN

Jonathan Koon Shum Choi

### EXECUTIVE DIRECTOR

Michael Koon Ming Choi (*Chief Executive Officer*)

### NON-EXECUTIVE DIRECTOR

Janice Wing Kum Kwan

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Robert Tsai To Sze

Elizabeth Law

Huanfei Guan

Julianne Pearl Doe

## LEGAL ADVISORS TO THE COMPANY

*As to Hong Kong Law:*

MinterEllison LLP

43/F, Hopewell Centre

183 Queen's Road East, Hong Kong

*As to Bermuda Law:*

Conyers Dill & Pearman

2901 One Exchange Square

8 Connaught Place, Central, Hong Kong

## AUDITOR

Ernst & Young

27/F, One Taikoo Place

979 King's Road

Quarry Bay, Hong Kong

## REGISTERED OFFICE

Clarendon House, 2 Church Street

Hamilton HM 11, Bermuda

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

7th Floor, Tower One, Lippo Centre

89 Queensway, Hong Kong

## COMPANY SECRETARY

Vincent Wai Shun Lai

## AUTHORISED REPRESENTATIVES

Michael Koon Ming Choi

Vincent Wai Shun Lai

## BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Global Corporate Services (Bermuda) Limited

Canon's Court, 22 Victoria Street

PO Box HM1179

Hamilton HM EX Bermuda

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

Room 1712-1716, 17th Floor

Hopewell Centre, 183 Queen's Road East

Hong Kong

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Bank of China (Hong Kong) Limited

China Construction Bank (Asia)

## COMPOSITION OF BOARD COMMITTEES

### AUDIT COMMITTEE

Robert Tsai To Sze (*Chairperson*)

Elizabeth Law

Huanfei Guan

### NOMINATION COMMITTEE

Elizabeth Law (*Chairperson*)

Jonathan Koon Shum Choi

Robert Tsai To Sze

Huanfei Guan

### COMPENSATION COMMITTEE

Elizabeth Law (*Chairperson*)

Jonathan Koon Shum Choi

Robert Tsai To Sze

Huanfei Guan

### CORPORATE GOVERNANCE COMMITTEE

Elizabeth Law (*Chairperson*)

Janice Wing Kum Kwan

Huanfei Guan

Julianne Pearl Doe

# Independent Review Report



Ernst & Young  
27/F, One Taikoo Place  
979 King's Road  
Quarry Bay, Hong Kong

## TO THE BOARD OF DIRECTORS OF SUNWAH KINGSWAY CAPITAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

### INTRODUCTION

We have reviewed the interim financial information set out on pages 3 to 24, which comprises the condensed consolidated statement of financial position of Sunwah Kingsway Capital Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 31 December 2025 and the related condensed consolidated income statement, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 Interim Financial Reporting ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

26 February 2026

# Condensed Consolidated Income Statement

	Notes	Six months ended 31 December	
		2025	2024
		Unaudited HK\$'000	Unaudited HK\$'000
<b>Revenue</b>			
Commission and fee income		9,813	6,297
Interest income arising from financial assets at amortised cost		5,254	9,829
Interest income arising from debt securities at fair value through profit or loss		956	1,358
Dividend income		2,730	3,804
Rental income		805	1,375
		<b>19,558</b>	<b>22,663</b>
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	3	35,275	(6,361)
Other income and gains or losses	4	(305)	178
		<b>54,528</b>	<b>16,480</b>
Commission expenses		(1,452)	(666)
General and administrative expenses		(33,471)	(30,588)
Finance costs		(1,557)	(3,101)
Net impairment losses on financial instruments		(1,219)	(13)
Fair value changes on investment properties		(3,712)	(6,854)
Changes on non-controlling interests in consolidated investment funds		(7,071)	(978)
Share of loss of a joint venture		(8)	(8)
Share of (loss)/profit of associates		(2,865)	529
<b>Profit/(loss) before tax</b>	6	<b>3,173</b>	<b>(25,199)</b>
Income tax credit	7	151	12
<b>Profit/(loss) for the period</b>		<b>3,324</b>	<b>(25,187)</b>
<b>Basic and diluted profit/(loss) per share</b>	9	<b>0.44 HK cents</b>	<b>(3.38) HK cents</b>

# Condensed Consolidated Statement of Comprehensive Income

	Six months ended 31 December	
	2025	2024
	Unaudited	Unaudited
	HK\$'000	HK\$'000
<b>Profit/(loss) for the period</b>	<b>3,324</b>	<b>(25,187)</b>
<b>Other comprehensive income:</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Land and buildings held for own use (note 10)		
– Deficit on revaluation	(31,669)	(26,583)
– Income tax effect	3,599	5,440
	<b>(28,070)</b>	<b>(21,143)</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of financial statements of foreign operations	925	(666)
	<b>925</b>	<b>(666)</b>
<b>Other comprehensive income for the period</b>	<b>(27,145)</b>	<b>(21,809)</b>
<b>Total comprehensive income for the period</b>	<b>(23,821)</b>	<b>(46,996)</b>

# Condensed Consolidated Statement of Financial Position

	<i>Notes</i>	<b>31 December 2025 Unaudited HK\$'000</b>	30 June 2025 Audited HK\$'000
<b>Non-current assets</b>			
Investment properties		54,945	58,657
Properties and equipment	10	192,412	227,743
Intangible assets		2,190	2,190
Interest in a joint venture		22,762	22,770
Interests in associates		4,129	23,025
Loans to and amounts due from associates		14,354	14,790
Other assets		3,454	3,409
Financial assets at fair value through profit or loss	11	1,264	1,264
		<b>295,510</b>	<b>353,848</b>
<b>Current assets</b>			
Financial assets at fair value through profit or loss	11	227,360	261,030
Accounts, loans and other receivables	12	129,522	139,729
Bank balances and cash – trust accounts	13	412,332	431,854
Bank balances and cash		126,038	95,195
		<b>895,252</b>	<b>927,808</b>
Asset classified as held for sale	18	16,035	–
		<b>911,287</b>	<b>927,808</b>
<b>Current liabilities</b>			
Financial liabilities at fair value through profit or loss	14	4,833	4,997
Net assets attributable to holders of non-controlling interests in consolidated investment funds	15	69,231	70,005
Accruals, accounts and other payables	16	472,073	470,410
Lease liabilities		134	133
Contract liabilities		3,950	3,682
Bank loans and overdraft	17	56,692	97,304
Current tax liabilities		1,450	1,450
		<b>608,363</b>	<b>647,981</b>
<b>Net current assets</b>		<b>302,924</b>	<b>279,827</b>
<b>Total assets less current liabilities</b>		<b>598,434</b>	<b>633,675</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		3,880	7,630
Lease liabilities		45	112
		<b>3,925</b>	<b>7,742</b>
<b>NET ASSETS</b>		<b>594,509</b>	<b>625,933</b>
<b>CAPITAL AND RESERVES</b>			
Share capital		76,026	76,026
Reserves		518,483	549,907
<b>TOTAL EQUITY</b>		<b>594,509</b>	<b>625,933</b>

# Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company							Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000	Capital reserve on consolidation HK\$'000	Exchange reserve HK\$'000	Properties revaluation reserve HK\$'000	Accumulated deficits HK\$'000	
At 1 July 2025 (audited)	76,026	373,205	39,800	63,392	(5,213)	130,546	(51,823)	625,933
Profit for the period	-	-	-	-	-	-	3,324	3,324
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	925	-	-	925
Deficit on revaluation of land and buildings held for own use	-	-	-	-	-	(28,070)	-	(28,070)
Total comprehensive income for the period	-	-	-	-	925	(28,070)	3,324	(23,821)
2025 final dividend payable	-	-	-	-	-	-	(7,603)	(7,603)
At 31 December 2025 (unaudited)	76,026	373,205*	39,800*	63,392*	(4,288)*	102,476*	(56,102)*	594,509
At 1 July 2024 (audited)	74,452	371,300	39,800	63,392	(6,327)	167,303	(363)	709,557
Loss for the period	-	-	-	-	-	-	(25,187)	(25,187)
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	-	(666)	-	-	(666)
Deficit on revaluation of land and buildings held for own use	-	-	-	-	-	(21,143)	-	(21,143)
Total comprehensive income for the period	-	-	-	-	(666)	(21,143)	(25,187)	(46,996)
2024 final dividend payable	-	-	-	-	-	-	(7,445)	(7,445)
At 31 December 2024 (unaudited)	74,452	371,300*	39,800*	63,392*	(6,993)*	146,160*	(32,995)*	655,116

\* Those reserve accounts comprise the consolidated reserves of HK\$518,483,000 (31 December 2024: HK\$580,664,000) in the condensed consolidated statement of financial position.

# Condensed Consolidated Statement of Cash Flows

Six months ended 31 December

	2025	2024
	Unaudited	Unaudited
	HK\$'000	HK\$'000
<b>Operating activities</b>		
Profit/(loss) before tax	3,173	(25,199)
Adjustments for:		
Depreciation	3,673	4,369
Finance costs	1,557	3,101
Dividend income	(2,730)	(3,804)
Interest income	(6,210)	(11,187)
Share of losses of a joint venture	8	8
Share of losses/(profits) of associates	2,865	(529)
Net impairment losses on financial instruments	1,219	13
Fair value changes on investment properties	3,712	6,854
Changes on non-controlling interests in consolidated investment funds	7,071	978
Operating cash flows before changes in working capital	14,338	(25,396)
Decrease/(increase) in financial assets at fair value through profit or loss	33,670	(6,657)
Decrease/(increase) in accounts, loans and other receivables	7,810	(4,665)
Decrease in fixed deposit with original maturity over 3 months	7,800	–
Decrease/(increase) in bank balances and cash – trust accounts	19,522	(78,671)
(Increase)/decrease in other assets	(45)	1,045
(Decrease)/increase in accruals, accounts and other payables	(5,939)	90,000
Increase in contract liabilities	268	2,181
Decrease in financial liabilities at fair value through profit or loss	(164)	(2,493)
Cash generated from/(used in) operations	77,260	(24,656)
Interest received	6,268	10,925
Dividend received	4,132	5,158
Interest paid	(1,556)	(3,098)
Interest portion of lease payments	(2)	(3)
Profits tax refunded	–	80
Net cash generated from/(used in) operating activities	86,102	(11,594)
<b>Investing activity</b>		
Payment for purchase of properties and equipment	(11)	(403)
Net cash used in from investing activity	(11)	(403)

## Condensed Consolidated Statement of Cash Flows

	Six months ended 31 December	
	2025	2024
	Unaudited	Unaudited
	HK\$'000	HK\$'000
<b>Financing activities</b>		
Proceeds from bank loans	690,445	587,258
Repayment of bank loans	(787,006)	(583,698)
Injection from holders of non-controlling interests in consolidated investment funds	1,780	780
Withdrawal of holders of non-controlling interests in consolidated investment funds	(9,594)	–
Principal portion of lease payments	(66)	(65)
Net cash (used in)/generated from financing activities	(104,441)	4,275
<b>Net decrease in cash and cash equivalents</b>	(18,350)	(7,722)
<b>Cash and cash equivalents at 1 July 2025/2024</b>	87,395	35,523
<b>Effect of foreign exchange rate changes, net</b>	1,044	(443)
<b>Cash and cash equivalents at 31 December 2025/2024</b>	70,089	27,358
Analysis of the balances of cash and cash equivalents:		
Bank balances and cash	126,038	98,543
Bank overdraft	(55,949)	(71,185)
	70,089	27,358

# Notes to Condensed Consolidated Financial Statements

## 1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and with Hong Kong Accounting Standard 34, Interim Financial Reporting (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

## 2 MATERIAL ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties, land and buildings held for own use and financial assets/liabilities at fair value through profit or loss that are measured at revalued amounts or fair values, as appropriate.

Other than changes in accounting policies resulting from application of the amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the unaudited interim condensed consolidated financial statements for the six months ended 31 December 2025 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2025.

### Application of the Amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments HKFRS Accounting Standards issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2025 for the preparing of the Group’s unaudited interim condensed consolidated financial statements.

Amendments to HKAS 21	Lack of Exchangeability
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Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. The adoption of the new and revised HKFRS Accounting Standards has had no significant financial effect on the unaudited condensed interim financial statements of the Group.

## Notes to Condensed Consolidated Financial Statements

**3 REVENUE**

The principal activities of the Group are investment in securities, securities broking and margin financing, provision of financial advisory services, money lending, other securities related financial services and leasing of investment properties.

	<b>Six months ended 31 December</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
<b>Revenue from contracts with customers</b>		
<i>Commission and fee income</i>		
– securities, options, funds and futures brokerage	<b>4,748</b>	2,918
– corporate finance	<b>705</b>	867
– asset management	<b>1,936</b>	41
– handling and settlement fee income	<b>1,690</b>	1,854
– miscellaneous fee income	<b>734</b>	617
	<b>9,813</b>	6,297
<b>Revenue from other sources</b>		
<i>Interest income arising from financial assets at amortised cost</i>		
– bank deposits	<b>3,616</b>	6,542
– margin and cash clients	<b>285</b>	194
– loans	<b>1,107</b>	2,651
– others	<b>246</b>	442
	<b>5,254</b>	9,829
<i>Interest income arising from debt securities at fair value through profit or loss</i>	<b>956</b>	1,358
<i>Dividend income</i>	<b>2,730</b>	3,804
<i>Rental income</i>	<b>805</b>	1,375
	<b>9,745</b>	16,366
	<b>19,558</b>	22,663

### 3 REVENUE (Continued)

#### DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

The following illustrates the disaggregated revenue information of the Group's revenue from contracts with customers:

Segments	Brokerage and financing HK\$'000	Corporate finance and capital markets HK\$'000	Asset management HK\$'000	Others HK\$'000	Total HK\$'000
<b>For six months ended 31 December 2025</b>					
<b>Type of services</b>					
Brokerage service	4,748	–	–	–	4,748
Corporate finance service	–	705	–	–	705
Asset management service	–	–	1,936	–	1,936
Handling and settlement service	1,690	–	–	–	1,690
Other services	434	–	–	300	734
Total revenue from contracts with customers	6,872	705	1,936	300	9,813
<b>Geographical markets</b>					
Hong Kong	6,839	705	1,936	300	9,780
Other countries	33	–	–	–	33
Total revenue from contracts with customers	6,872	705	1,936	300	9,813
<b>Timing of revenue recognition</b>					
Services transferred at a point in time	6,872	185	1,936	300	9,293
Services transferred over time	–	520	–	–	520
Total revenue from contracts with customers	6,872	705	1,936	300	9,813
<b>For six months ended 31 December 2024</b>					
<b>Type of services</b>					
Brokerage service	2,918	–	–	–	2,918
Corporate finance service	–	867	–	–	867
Asset management service	–	–	41	–	41
Handling and settlement service	1,854	–	–	–	1,854
Other services	317	–	–	300	617
Total revenue from contracts with customers	5,089	867	41	300	6,297
<b>Geographical markets</b>					
Hong Kong	5,073	867	41	300	6,281
Other countries	16	–	–	–	16
Total revenue from contracts with customers	5,089	867	41	300	6,297
<b>Timing of revenue recognition</b>					
Services transferred at a point in time	5,089	280	41	300	5,710
Services transferred over time	–	587	–	–	587
Total revenue from contracts with customers	5,089	867	41	300	6,297

## Notes to Condensed Consolidated Financial Statements

**4 NET GAIN/(LOSS) ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

	Six months ended 31 December	
	2025 HK\$'000	2024 HK\$'000
Listed equity securities	30,719	(4,437)
Listed debt securities	790	489
Listed derivatives	3,553	(2,425)
Bond and money market funds	154	90
Unlisted investment funds	59	(78)
	<b>35,275</b>	<b>(6,361)</b>

**5 SEGMENT INFORMATION**

The following is an analysis of the Group's revenue and results by operating segment for the periods under review:

	Six months ended 31 December 2025						
	Proprietary investment HK\$'000	Property investment HK\$'000	Brokerage and financing HK\$'000	Corporate finance and capital markets HK\$'000	Asset management HK\$'000	Others HK\$'000	Consolidated HK\$'000
Commission and fee income	–	–	6,872	705	1,936	300	9,813
Interest income arising from financial assets at amortised cost	350	116	4,786	2	–	–	5,254
Interest income arising from debt securities at fair value through profit or loss	956	–	–	–	–	–	956
Other income	2,730	805	–	–	–	–	3,535
Inter-segment revenue	1	–	1,130	–	5,455	6,198	12,784
Segment revenue	4,037	921	12,788	707	7,391	6,498	32,342
Net gain on financial assets and liabilities at fair value through profit or loss	35,239	–	36	–	–	–	35,275
Other income and gains or losses	(65)	(552)	200	–	–	112	(305)
Eliminations	(1)	–	(1,130)	–	(5,455)	(6,198)	(12,784)
	39,210	369	11,894	707	1,936	412	54,528
Profit/(loss) before tax	18,321	(4,885)	(4,163)	(2,608)	2,836	(6,328)	3,173

## Notes to Condensed Consolidated Financial Statements

## 5 SEGMENT INFORMATION (Continued)

	Six months ended 31 December 2024						
	Proprietary investment	Property investment	Brokerage and financing	Corporate finance and capital markets	Asset management	Others	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Commission and fee income	–	–	5,089	867	41	300	6,297
Interest income arising from financial assets at amortised cost	413	104	9,197	5	2	108	9,829
Interest income arising from debt securities at fair value through profit or loss	1,358	–	–	–	–	–	1,358
Other income	3,804	1,375	–	–	–	–	5,179
Inter-segment revenue	11	–	566	–	1,244	5,449	7,270
Segment revenue	5,586	1,479	14,852	872	1,287	5,857	29,933
Net loss on financial assets and liabilities at fair value through profit or loss	(6,358)	–	(3)	–	–	–	(6,361)
Other income and gains or losses	176	124	25	–	–	(147)	178
Eliminations	(11)	–	(566)	–	(1,244)	(5,449)	(7,270)
	(607)	1,603	14,308	872	43	261	16,480
(Loss)/profit before tax	(10,267)	(6,207)	2,088	(3,447)	(453)	(6,913)	(25,199)

The following is an analysis of the Group's assets by operating segment:

	<b>31 December 2025 HK\$'000</b>	30 June 2025 HK\$'000
Proprietary investment	<b>287,908</b>	313,037
Property investment	<b>96,560</b>	100,893
Brokerage and financing	<b>614,709</b>	624,123
Corporate finance and capital markets	<b>9,961</b>	9,527
Asset management	<b>1,011</b>	1,244
Others	<b>196,648</b>	232,832
Total assets	<b>1,206,797</b>	1,281,656

## Notes to Condensed Consolidated Financial Statements

**6 PROFIT/(LOSS) BEFORE TAX**

Profit/(loss) before tax is arrived at after crediting/(charging):

	Six months ended 31 December	
	2025 HK\$'000	2024 HK\$'000
Staff costs	(20,280)	(17,534)
Lease payments not included in the measurement of lease liabilities	(57)	(66)
Depreciation	(3,673)	(4,369)
Interest expenses on		
– unsecured bank overdrafts	(29)	(6)
– brokerage clients	(307)	(1,163)
– secured bank loans wholly repayable within one year and overdrafts	(1,110)	(1,512)
– others	(109)	(417)
– lease liabilities	(2)	(3)
Net impairment losses on financial instruments on		
– accounts, loans and other receivable	(1,381)	(273)
– recoveries of loan receivable written off in prior years	162	260
Exchange (loss)/gain (net)	(312)	159

**7 INCOME TAX IN THE CONDENSED CONSOLIDATED INCOME STATEMENT**

	Six months ended 31 December	
	2025 HK\$'000	2024 HK\$'000
Current tax		
– Hong Kong	–	–
– Mainland China	–	–
	–	–
Overprovision in prior years	–	(16)
Deferred tax	(151)	4
	(151)	(12)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the current and prior periods. No tax is payable on the profits of certain subsidiaries arising in Hong Kong for the period since the estimated assessable profits of these subsidiaries of the Group of HK\$20 million (31 December 2024: HK\$2.1 million) are wholly set off by tax losses brought forward. Subsidiaries in mainland China are subject to PRC Enterprise Income Tax at 25%.

## 8 DIVIDENDS

Dividends recognised as distributions during the period:

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, declared and payable of 1 HK cent per share (2024: paid of 1 HK cent per share)	7,603	7,445

Subsequent to the end of the interim reporting period, at a meeting held on 26 February 2026, the directors declared an interim dividend of 1 HK cent per share (31 December 2024: 1 HK cent per share) for an aggregate amount of HK\$7,646,000 (31 December 2024: HK\$7,603,000) based on the number of shares in issue at 26 February 2026.

## 9 PROFIT/(LOSS) PER SHARE

The calculation of basic and diluted profit/(loss) per share attributable to the owners of the Company is based on the following:

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
<b>Profit/(loss)</b>		
Profit/(loss) for the purposes of basic and diluted profit/(loss) per share		
Profit/(loss) attributable to owners of the Company for the period	3,324	(25,187)
<b>Number of shares</b>		
Number of ordinary shares for the purpose of basic and diluted profit/(loss) per share	760,261,441	744,519,306

## 10 PROPERTIES AND EQUIPMENT

For the six months ended 31 December 2025, the revaluation deficit, net of the related deferred tax, of approximately HK\$28,070,000 (for the six months ended 31 December 2024: deficit of HK\$21,143,000) was charged to the properties revaluation reserve. The fair value of the Group's land and buildings as at 31 December 2025 and 30 June 2025 has been arrived at on the basis of a valuation carried out on the respective date by RHL Appraisal Limited, an independent qualified professional valuer not connected with the Group, who has appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

## Notes to Condensed Consolidated Financial Statements

## 11 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>Notes</i>	<b>31 December 2025 HK\$'000</b>	30 June 2025 HK\$'000
Listed equity securities, at quoted price			
– in Hong Kong		<b>150,729</b>	176,529
– outside Hong Kong		<b>20,326</b>	28,807
Listed debt securities, at quoted price			
– in Hong Kong	<i>(a)</i>	<b>13,766</b>	11,774
– outside Hong Kong	<i>(a)</i>	<b>28,118</b>	28,989
Bond funds, at quoted price	<i>(b)</i>	<b>10,883</b>	10,729
Overseas unlisted equity securities	<i>(c)</i>	<b>934</b>	934
Unlisted debt security		<b>330</b>	330
Unlisted investment funds	<i>(d)</i>	<b>3,538</b>	4,202
		<b>228,624</b>	262,294
Represented by:			
Non-current		<b>1,264</b>	1,264
Current		<b>227,360</b>	261,030
		<b>228,624</b>	262,294

*Notes:*

- (a) The Group held listed debt securities with fair value of HK\$35,092,000 as at 31 December 2025 (30 June 2025: HK\$34,299,000) which will be due in 2026 to 2062 (30 June 2025: 2025 to 2055). The Group also held perpetual debts with fair value of HK\$6,792,000 (30 June 2025: HK\$6,464,000) as at 31 December 2025.
- (b) The Group held bond funds with fair value of HK\$10,883,000 as at 31 December 2025 (30 June 2025: HK\$10,729,000) which are open-end funds listed on overseas stock exchanges.
- (c) The fair value measurement of the overseas unlisted equity securities is described in note 24 to the condensed consolidated financial statements.
- (d) The fair value of unlisted investment funds is based on the net asset value of underlying investments reported by the administrator as of the end of the reporting period.

## 12 ACCOUNTS, LOANS AND OTHER RECEIVABLES

	<i>Notes</i>	<b>31 December 2025 HK\$'000</b>	30 June 2025 HK\$'000
<b>Accounts and loan receivables</b>			
Amounts due from brokers and clearing houses	<i>(a)</i>	<b>76,978</b>	88,220
Amounts due from margin clients	<i>(b)</i>	<b>9,072</b>	5,472
Amounts due from cash clients	<i>(c)</i>	<b>5,823</b>	5,033
Loan receivables	<i>(d)</i>	<b>48,405</b>	48,729
Other accounts receivable	<i>(e)</i>	<b>1,271</b>	392
		<b>141,549</b>	147,846
Less: Impairment allowances		<b>(22,294)</b>	(20,913)
		<b>119,255</b>	126,933
<b>Prepayments, deposits and other receivables</b>			
		<b>10,267</b>	12,796
		<b>129,522</b>	139,729

### Notes:

- (a) Amounts due from brokers and clearing houses are required to be settled on the settlement day determined under the relevant market practices or exchange rules.

Amounts due from brokers of HK\$5,286,000 (30 June 2025: HK\$5,561,000) was pledged as collateral for the stock borrowing transactions.

- (b) Margin clients of the brokerage division are required to pledge securities as collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them is determined based on a discount to the value of securities accepted by the Group. The amounts due from margin clients are repayable on demand and bear interest at commercial rates. At 31 December 2025, the total market value of securities pledged as collateral in respect of the loans to margin clients was approximately HK\$110 million (30 June 2025: HK\$153 million). Management monitors the market value of collateral during the reviews of the adequacy of the impairment allowances. The fair value of collateral can be objectively ascertained to cover the outstanding amount of the loan balances under stage 1 based on quoted prices of collateral.
- (c) There are no credit terms granted to cash clients of the brokerage division except for financing of IPO subscriptions. They are required to settle their securities trading balances on the settlement day determined under the relevant market practices or exchange rules.
- (d) Loan receivables comprised fixed-rate loan receivables of HK\$16 million (30 June 2025: HK\$17 million) and factoring receivables of HK\$32 million (30 June 2025: HK\$32 million), and accumulated impairment allowances of HK\$20 million (30 June 2025: HK\$18 million) as at 31 December 2025. The credit terms for loans granted by the Group's brokerage and financing division are determined by management with reference to the financial background and the value and nature of collateral pledged by the borrowers. The loan receivables are mainly secured by personal/corporate guarantee, properties and trade receivables. The contractual maturity date of the loan receivables is normally within one year.
- (e) The Group normally allows credit periods of up to 30 days to customers, except for certain creditworthy customers with long term relationships and stable repayment patterns, where the terms are extended to a longer period.

## Notes to Condensed Consolidated Financial Statements

**12 ACCOUNTS, LOANS AND OTHER RECEIVABLES (Continued)**

The ageing analysis of accounts and loan receivables net of impairment losses based on date of invoice/advance/trade date/contractual maturity date is as follows:

	<b>31 December 2025 HK\$'000</b>	30 June 2025 HK\$'000
Current and within one month	<b>110,678</b>	120,542
More than three months	<b>8,577</b>	6,391
	<b>119,255</b>	126,933

Included in the above table, loan receivables of approximately HK\$20,171,000 and HK\$8,511,000 were aged within one month and more than three months respectively (30 June 2025: approximately HK\$23,996,000 and HK\$6,376,000 were aged within one month and more than three months respectively).

The movements in the allowance for impairment losses for accounts, loans and other receivables for the Group were as follows:

	<b>Amounts due from margin clients HK\$'000</b>	<b>Amounts due from cash clients HK\$'000</b>	<b>Loan receivables HK\$'000</b>	<b>Total HK\$'000</b>
At 1 July 2024	5,448	508	17,750	23,706
Impairment losses (reversed)/recognised	(500)	(28)	606	78
Amounts written off as uncollectible	(2,512)	(359)	–	(2,871)
At 30 June 2025 and 1 July 2025	<b>2,436</b>	<b>121</b>	<b>18,356</b>	<b>20,913</b>
Impairment losses recognised	–	<b>14</b>	<b>1,367</b>	<b>1,381</b>
At 31 December 2025	<b>2,436</b>	<b>135</b>	<b>19,723</b>	<b>22,294</b>

**13 BANK BALANCES AND CASH – TRUST ACCOUNTS**

The Group maintains segregated clients' accounts with licensed banks to hold clients' monies arising from normal course of business in connection with the Group's brokerage activities. The cash held on behalf of clients is restricted and governed by the Securities and Futures (Client Money) Rules (Chapter 571I) of the laws of Hong Kong under the Securities and Futures Ordinance. The Group has recognised the corresponding clients' accounts payable to respective clients.

**14 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31 December 2025 HK\$'000</b>	30 June 2025 HK\$'000
Financial liabilities at fair value through profit or loss arising from short selling activities	<b>4,833</b>	4,997

Balance represented the fair value of listed equity securities from short selling activities as at 31 December 2025 and 30 June 2025.

## 15 NET ASSETS ATTRIBUTABLE TO HOLDERS OF NON-CONTROLLING INTERESTS IN CONSOLIDATED INVESTMENT FUNDS

Net assets attributable to holders of non-controlling interests in the consolidated investment funds, namely MEC Asian Fund and SWK Dynamic OFC, are reflected as a liability since they can be put back to the Group for cash. The realisation of net assets attributable to holders of non-controlling interests in investment funds cannot be predicted with accuracy since these represent the interest of non-controlling shareholders in consolidated investment funds that are subject to the actions of the non-controlling investors.

## 16 ACCRUALS, ACCOUNTS AND OTHER PAYABLES

	<b>31 December</b>	30 June
	<b>2025</b>	2025
	<b>HK\$'000</b>	HK\$'000
<b>Accounts payable (on demand or within one month)</b>		
Amounts due to brokers and clearing houses	<b>6</b>	25
Clients' accounts payable	<b>451,093</b>	456,389
Others	<b>923</b>	3,755
	<b>452,022</b>	460,169
Other creditors, accruals and other provisions	<b>20,051</b>	10,241
	<b>472,073</b>	470,410

The settlement terms of payable to brokers, clearing houses and securities trading clients arising from the ordinary course of business of broking in securities range from one to two days after the trade date of those transactions. Deposits exceeding the margin requirement received from clients for their trading of futures contracts are payable on demand.

## 17 BANK LOANS AND OVERDRAFT

	<b>31 December</b>	30 June
	<b>2025</b>	2025
	<b>HK\$'000</b>	HK\$'000
Secured bank loans	<b>743</b>	97,304
Secured bank overdraft	<b>55,949</b>	–
	<b>56,692</b>	97,304

*Note:* The bank loans as at 31 December 2025 are repayable within one year. The overdraft is secured by the Group's land and building held for own use and investment properties with fair value of approximately HK\$182 million and HK\$34 million respectively. The bank loan is secured by financial assets at fair value through profit or loss with fair value of approximately HK\$7 million. For the period ended 31 December 2025, the overdraft bear interest at HKD best lending rate and bank loans bear interest at fixed rate of 1.7%.

The bank loans as at 30 June 2025 are repayable within one year. The bank loans are secured by the Group's land and building held for own use, investment properties and financial assets at fair value through profit or loss with fair value of HK\$217 million, HK\$36 million and HK\$8 million respectively. The bank loans bear interest at 1.4% above Hong Kong Interbank Offered Rate and at fixed rate of 1.7%.

## Notes to Condensed Consolidated Financial Statements

**17 BANK LOANS AND OVERDRAFT (Continued)**

One of the Group's banking facilities is subject to covenant which a certain loan-to-value ratio shall be maintained. The Group is required to repay part of the bank loans to maintain the specified ratio when necessary. The Group regularly monitors its compliance with these covenants. As at 31 December 2025 and 30 June 2025, none of the covenants relating to the facilities drawn had been breached.

**18 ASSET CLASSIFIED AS HELD FOR SALE**

On 31 October 2025, SW Kingsway Capital Group Limited (a wholly-owned subsidiary of the Company) entered into a sale and purchase agreement (the "S&P Agreement") with KCG Capital Holdings Limited (the "Purchaser" or "KCG Capital") in relation to the disposal of 15,000 ordinary shares of KCG Capital, representing the entire 30% equity interest held by the Group in KCG Capital (the "Disposal"). The Disposal was structured as a share buy-back by KCG Capital at a consideration of HK\$16.1 million. The Group had committed to the Disposal and, based on the terms of the S&P Agreement, management considered the Disposal to be highly probable and expected it to be completed within twelve months from the date of classification. Accordingly, the Group's interest in KCG Capital was classified as an interest in associate held for sale as at 31 December 2025. Details of the Disposal are set forth in the Company's Announcements on 31 October 2025.

Subsequent to 31 December 2025, the Disposal was completed on 15 January 2026 in accordance with the S&P Agreement and the Group received cash proceeds of HK\$16.1 million. Upon completion, the Group ceased to hold any equity interest in KCG Capital.

**19 COMMITMENTS****COMMITMENTS UNDER OPERATING LEASES AS LESSOR**

As at 31 December 2025 and 30 June 2025, the Group had future aggregate minimum lease payments receivable under non-cancellable operating leases in respect of office premises which fall due as follows:

	<b>31 December 2025 HK\$'000</b>	30 June 2025 HK\$'000
Within one year	<b>2,627</b>	1,524
Between one and two years	<b>5,045</b>	3,139
	<b>7,672</b>	4,663

Leases are negotiated and rentals are fixed for original lease terms of 2 to 3 years. The Group does not provide an option to the lessees to purchase the leased assets at the expiry of the lease period.

## 20 CONTINGENT LIABILITIES

During the ordinary course of business the Group is subject to threatened or actual legal proceedings brought by or on behalf of investors or other third parties, as well as legal and regulatory reviews, challenges, investigations and enforcement actions, in Hong Kong. All such material matters are periodically reassessed, with the assistance of external professional advisers where appropriate, to determine the likelihood of the Group incurring a liability. In those instances where it is concluded that it is more likely than not that a payment will be made, a provision is established to management's best estimate of the amount required at the relevant period end date. In some cases it will not be possible to form a view, for example because the facts are unclear or because further time is needed properly to assess the merits of the case, and no provisions are held in relation to such matters. However, the Group does not currently expect the final outcome of any such case to have a material adverse effect on its financial position, operations or cash flows.

In 2019, the Group placed a 130% short selling deposit, of approximately HK\$29.8 million, on a suspended security listed on the Main Board of the Stock Exchange at its Hong Kong clearing house account on behalf of its client. The Hong Kong Clearing house refunded the deposit to the Group after the delisting of the security. The Group signed a letter of indemnity to Hong Kong Securities Clearing Co. Ltd. which agree to undertake all potential claims in connection with the shortfall of the shares.

## 21 JOINT VENTURE AGREEMENT

On 1 December 2016, the Group entered into a joint venture agreement with several joint venture partners to establish a joint venture company in Chongqing, the PRC. Subject to the approvals of the China Securities Regulatory Commission ("CSRC"), it is contemplated that the joint venture company will become a full-licensed securities company principally engaged in the provision of regulated securities brokerage services, securities underwriting and sponsor services, proprietary trading, securities and asset management and any other business approved by the CSRC in the PRC. Pursuant to the joint venture agreement, the Group will make a capital contribution of RMB330 million into the joint venture company, representing a 22% equity interest in the joint venture company. The transaction will be fully financed by the Group's internal resources. The joint venture agreement and the transactions were approved by the Company's shareholders at the special general meeting held in February 2017. The Group received an acknowledged receipt for the application from the CSRC on 28 December 2018. The Group is currently waiting for the reply from the CSRC.

## 22 RELATED PARTY AND CONNECTED PARTY TRANSACTIONS

The following is a summary of significant related party and connected party (as defined in the Listing Rules) transactions which were carried out in the normal course of the Group's business:

### (A) KEY MANAGEMENT PERSONNEL REMUNERATION

Remuneration for key management personnel, including amounts paid to the Company's directors is as follows:

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Fees	1,100	1,018
Salaries, commission and other allowance	2,892	2,892
Retirement scheme contributions	117	117
	<b>4,109</b>	<b>4,027</b>

## Notes to Condensed Consolidated Financial Statements

**22 RELATED PARTY AND CONNECTED PARTY TRANSACTIONS (Continued)****(B) OTHERS**

	<b>Six months ended 31 December</b>	
	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Brokerage commission earned on securities, options and futures dealing		
– Group's directors, their close family members and their companies	<b>96</b>	113
Consultancy and management fees earned		
– a company controlled by a Group's director	<b>300</b>	300
Clients' accounts payable arising from brokerage business		
– Group's directors, their close family members and their companies	<b>26,238</b>	21,501

**(C) LOANS TO ASSOCIATES**

The Group provided pro-rata shareholder loans to associates for the acquisition of investment properties in Japan. As at 31 December 2025, a loan with the principal amount of HK\$4,242,000 (30 June 2025: HK\$4,643,000) is unsecured, interest bearing at 5% per annum and repayable in January 2027 (30 June 2025: January 2027). The other loan with the principal amount, net of imputed interest, of HK\$8,522,000 (30 June 2025: HK\$8,522,000) is unsecured, interest free and repayable in October 2026 (30 June 2025: October 2026).

**23 FINANCIAL INSTRUMENTS**

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

The unaudited interim condensed consolidated financial statements do not include all financial risk management information and disclosures related to the unaudited interim condensed consolidated financial statements, and should be read in conjunction with the consolidated financial statements for the year ended 30 June 2025.

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

## 24 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

### FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- 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 prices) 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).

	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	31 December 2025 HK\$'000	30 June 2025 HK\$'000			
<i>Financial assets</i>					
Listed equity securities	170,972	205,136	Level 1	Quoted price in an active market	N/A
Listed equity securities	83	200	Level 2	Quoted market prices from dealers	N/A
Listed debt securities	41,884	40,763	Level 2	Quoted market prices from dealers	N/A
Bond funds	10,883	10,729	Level 2	Quoted market prices from dealers	N/A
Unlisted investment funds	3,538	4,202	Level 2	Dealing price of the fund derived from the net asset value of the investment with reference to observable quoted price of underlying investment portfolio in active markets	N/A
Unlisted debt security	330	330	Level 2	Quoted price in an inactive market	N/A
Overseas unlisted equity security	934	934	Level 3	Income approach	Cost of capital of 24.6% (30 June 2025: 24.6%) Discount for lack of control of 13% (30 June 2025: 13%) Discount for lack of marketability of 29% (30 June 2025: 29%)
<i>Financial liabilities</i>					
Listed equity securities	4,833	4,997	Level 1	Quoted price in an active market	N/A
Net assets attributable to holders of non-controlling interests in consolidated investment funds	69,231	70,005	Level 2	Net asset value of underlying investments determined with reference to active market price	N/A

## Notes to Condensed Consolidated Financial Statements

**24 FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)**

For overseas unlisted equity security under level 3 of the fair value hierarchy with quantitative significant unobservable inputs developed by the Group when measuring the fair value, a 10% increase/decrease in the cost of capital used in isolation would result in a decrease in the fair value measurement of the overseas unlisted equity security of HK\$28,000 (30 June 2025: HK\$28,000) or an increase of HK\$31,000 (30 June 2025: HK\$31,000). A 10% increase/decrease in discount for lack of control and discount for lack of marketability used in isolation would result in a decrease/increase in the fair value measurement of the overseas unlisted equity security of HK\$14,000 (30 June 2025: HK\$14,000) and HK\$38,000 (30 June 2025: HK\$38,000) respectively.

**RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS**

	<b>Financial assets at fair value through profit or loss</b>	
	<b>31 December 2025 HK\$'000</b>	<b>30 June 2025 HK\$'000</b>
Opening balance	934	868
Fair value change charged to profit or loss	–	66
	<b>934</b>	<b>934</b>

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the interim condensed consolidated financial statements approximate their fair value.

**FAIR VALUE MEASUREMENT AND VALUATION PROCESS**

Management is responsible for determining the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of the financial instruments, the Group uses market-observable data to the extent it is available. In estimating the fair value of a financial asset under level 3 of the fair value hierarchy, the Group has engaged the valuer to establish appropriate valuation technique. The management reviews the valuations bi-annually.

**25 KEY SOURCES OF ESTIMATION UNCERTAINTY**

In preparing these interim condensed consolidated financial statements, management is required to exercise significant judgments in the selection and application of accounting principles, including making estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In preparing the unaudited interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the year ended 30 June 2025.

# Management Discussion and Analysis

## THE MARKET

The Hong Kong stock market continued its upward trajectory from July to December 2025, albeit with intermittent volatility driven by external macroeconomic and geopolitical developments. Following the strong rebound in the first half of the year, market sentiment remained constructive at the beginning of the third quarter of 2025, supported by low Hong Kong dollar interest rates, ample market liquidity, and improving investor confidence. The market advanced steadily throughout July and August, underpinned by sustained capital inflows and renewed interest in technology-related and growth-oriented sectors. Momentum strengthened further in September, as optimism surrounding a recovery in corporate earnings and robust fundraising activity propelled the Hang Seng Index to 27,382 at the beginning of October 2025, representing a four-year high. However, market sentiment became more cautious in the fourth quarter of 2025 amid heightened global volatility and geopolitical uncertainty. As a result, the Hang Seng Index declined from its October peak, closing at 25,631 at the end of December 2025, compared with 24,072 at the end of June 2025 and 20,060 at the end of December 2024.

Market turnover and IPO activity improved notably during the second half of 2025, reflecting the strengthening momentum of the equity market. Trading activity remained elevated throughout the period, with average daily turnover rising significantly compared with the same period last year and peaking in September, supported by strong participation from both international investors and southbound Mainland funds. The average monthly aggregate turnover on the Main Board and GEM Board during the six months ended 31 December 2025 (the “first half year of FY2026”) surged to HK\$5,438 billion, compared with HK\$3,179 billion recorded in the six months ended 31 December 2024 (the “first half year of FY2025”). Meanwhile, the Hong Kong IPO market remained highly active and ranked as the world’s leading IPO venue in 2025 by funds raised, driven by a strong pipeline of listings, particularly A-share companies pursuing H-share listings under the A+H framework. Funds raised from IPOs on the Main Board increased sharply to HK\$177 billion in the first half year of FY2026, compared with HK\$74 billion in the corresponding period of FY2025.

## FINANCIAL HIGHLIGHTS

The Group recorded a profit after tax of HK\$3 million for the first half year of FY2026, compared with a loss of HK\$25 million for the same period of FY2025. After accounting for other comprehensive expenses for the period, the Group recorded a total comprehensive expense of HK\$24 million for the first half year of FY2026, compared with an expense of HK\$47 million for the first half year of FY2025. In 2025, the vacancy rate for Grade A office space in Hong Kong Central remained at a double digit level. The market value of our own used properties continued to decline, resulting in a revaluation deficit, net of tax, of HK\$28 million for the first half-year of FY2026, compared with a deficit of HK\$21 million in the same period last year and a loss of HK\$37 million recorded in FY2025.

Commission and fee income generated from the Group’s financial intermediary business amounted to HK\$10 million for the first half year of FY2026, up from HK\$6 million in the corresponding period of FY2025. The increase was attributable to higher brokerage commission and asset management fee income. Interest income declined by HK\$5 million period-on-period to HK\$6 million for the first half year of FY2026, compared with HK\$11 million in the same period of FY2025, primarily due to a HK\$3 million reduction in bank interest income arising from lower prevailing interest rates. Dividend and rental income declined slightly to HK\$4 million for the first half year of FY2026, compared with HK\$5 million in the first half year of FY2025. The Group recorded a net gain of HK\$35 million on financial assets and liabilities at fair value through profit or loss during the first half year of FY2026, reversing a net loss of HK\$6 million in the same period of FY2025, largely supported by the rebound in the Hong Kong stock market. General and administrative expenses increased by HK\$2 million to HK\$33 million for the first half year of FY2026, up from HK\$31 million in the prior-year period, mainly due to higher staff costs and bonus accruals within the asset management division associated with improved performance. Interest expenses decreased from HK\$3 million in the first half year of FY2025 to HK\$2 million in the first half year of FY2026.

## Management Discussion and Analysis

### BROKERAGE AND FINANCING

Total revenue of the division amounted to HK\$13 million for the first half year of FY2026, compared with HK\$15 million in the corresponding period of FY2025. Brokerage commission income rose by HK\$2 million to HK\$5 million for the first half year of FY2026, up from HK\$3 million in the same period of FY2025. Stock market sentiment improved during the period, with the average monthly turnover on both the Main and GEM Boards for the first half year of FY2026 increasing by 72% period-on-period. The decline in interest income, amounting to HK\$5 million, was primarily attributable to lower bank deposit rates. Consequently, interest paid to brokerage clients also decreased by HK\$1 million compared with the same period last year.

The Group divested its interest in an associate for a consideration of HK\$16 million in October 2025, with the transaction completed in January 2026. The disposal provided immediate liquidity, strengthened the Group's cash position and enhanced flexibility in structuring its asset portfolio.

As of 31 December 2025, the aggregated balance of margin loans, fixed-rate loans and factoring receivables, after accounting for expected credit losses, amounted to HK\$35 million, compared with HK\$33 million as of 30 June 2025. The Group continued to adopt prudent and stringent measures in approving loan facilities and evaluating collateral. Additional collateral was requested from several clients to enhance loan quality.

### CORPORATE FINANCE AND CAPITAL MARKETS

Total revenue of the division remained at HK\$1 million for both the first half year of FY2026 and FY2025. During the period, the division focused on the sponsorship mandate and successfully entered into several financial advisory agreements, enhancing its service offerings and strengthening its market presence.

The capital market in our target client segment remained subdued, resulting in no fee income being recognised during the first half year of either FY2026 or FY2025.

### ASSET MANAGEMENT

Total revenue of the division, including fees from non-wholly owned subsidiary funds, increased significantly to HK\$7 million for the first half year of FY2026, compared with HK\$1 million in the same period of FY2025. The division delivered strong performance, as evidenced by a substantial increase in the unit prices of its managed funds during the period. This performance was attributable to strategic investment initiatives and effective portfolio management. As a result, the division generated HK\$5 million in performance and management fees from its managed funds.

During the first half year of FY2026, the division established a dedicated family office team to cater to the specific needs of ultra high-net-worth clients. This strategic initiative aimed to enhance the range and quality of services offered to this client segment. Fee income of HK\$2 million was recognised during the period from the operations of the new division. To support the expansion of services and the increase in fee income, staff costs within the family office division rose accordingly. The Group also engaged in collaborative arrangements with other investment managers to provide comprehensive and tailored solutions to clients.

## PROPRIETARY INVESTMENT

Total revenue of the division amounted to HK\$4 million for the first half year of FY2026, slightly lower than the HK\$6 million recorded in the corresponding period of FY2025. After taking into account the net gain or loss on the disposal of financial assets and liabilities at fair value through profit or loss, the division achieved a net inflow before overheads of HK\$39 million for the first half year of FY2026. This marks a significant improvement compared with a net outflow of HK\$1 million in the same period of FY2025. The Hang Seng Index increased by 6% to 25,631 as of the end of December 2025, reflecting an improved market environment. During the period, the division disposed of certain strategic listed equity investments, realising a net gain of HK\$7 million. These disposals were part of a planned portfolio rebalancing exercise aimed at optimising returns and managing risk.

As of 31 December 2025, the carrying values of the unlisted investments, listed securities and listed debt securities and exchange traded fund portfolio were HK\$1 million, HK\$169 million and HK\$56 million respectively (30 June 2025: HK\$5 million, HK\$205 million and HK\$52 million). The directors consider that any investment with a fair value exceeding 5% of the Group's consolidated total assets is classified as a significant investment. As of 31 December 2025, no such significant investments were identified.

## PROPERTY INVESTMENTS

Total revenue of the division remained at HK\$1 million for both the first half year of FY2026 and FY2025. The division benefited from a steady stream of rental income, which contributed to stable cash flow and supported its overall financial position. However, the retail shop property located in Kwun Tong had been vacant since late 2024, which adversely affected the division's performance. A new tenancy agreement was secured at the end of December 2025 and is expected to improve results in the second half year of FY2026. Despite a recovery in tourism, the retail leasing market continued to experience high vacancy rates and downward pressure on rental prices in non-core retail locations. Consequently, a revaluation loss of HK\$4 million was recognized for the retail shop property during the period, compared with a loss of HK\$5 million in the same period last year. Meanwhile, the office property in Beijing benefited from an appreciation of the Renminbi, resulting in only a minimal revaluation deficit for the period, as opposed to a HK\$2 million deficit in the first half year of FY2025. Additionally, the development progress of the land held by the joint venture property project company slowed. As preliminary development costs are being financed through internal resources, the share of loss of the joint venture remained minimal.

To date, the division holds a retail shop property and a carpark in Hong Kong and an office property in mainland China. In addition, the Group has invested in two associated companies which hold commercial properties in Japan and a joint venture company which holds two adjacent parcels of land in Hong Kong.

## OUTLOOK

The investment market is expected to remain supportive in 2026, underpinned by improving market fundamentals and ample liquidity. In January 2026, the Hang Seng Index climbed to a multi-year high of 28,056, reflecting strong investor confidence, while market turnover remained at elevated levels. The Group's performance is expected to benefit should this favourable positive sentiment be sustained.

## Management Discussion and Analysis

### LIQUIDITY AND FINANCIAL RESOURCES

As of the end of December 2025, the Group's total assets amounted to HK\$1,207 million, with approximately 76% classified as current assets. Net current assets amounted to HK\$303 million, representing approximately 51% of the net assets of the Group. The Group held bank balances of HK\$126 million as at the end of December 2025, primarily denominated in Hong Kong and United States dollars.

The Group generally finances its daily operations through internal resources. Total borrowings of HK\$57 million as of the end of December 2025 were used to finance its investment portfolio. Bank loans and overdrafts were denominated in Hong Kong dollars and charged at floating interest rates. The Group's gearing ratio was approximately 10% at the end of December 2025. As of 31 December 2025, office and investment properties with a carrying value of HK\$214 million and financial assets at a fair value through profit or loss with fair value of HK\$7 million were pledged to banks as securities for the banking facilities.

Other than the indemnity provided to the Hong Kong Securities Clearing Co. Ltd., the Group had no other material contingent liabilities as of the end of December 2025. The Company provided corporate guarantees of HK\$210 million in respect of banking facilities granted to its subsidiaries.

### FOREIGN EXCHANGE EXPOSURE

The Group's assets are mainly in Hong Kong and mainland China and most of the monetary assets and liabilities of the Group are denominated in HK\$. As part of our investment monitoring, financial assets denominated in foreign currencies, including equity and debt investments, are monitored on a daily basis together with the changes in market value of these investments. Financial instruments may be used as part of the overall investment strategy if deemed necessary by the investment managers. The Group operates a factoring business and purchased properties in mainland China. Taking into account all relevant macroeconomic factors and the size of assets held, the Group believes that there is no need to hedge these assets denominated in RMB. Management will monitor the situation closely and introduce suitable hedging measures if there are any material adverse changes. The Group does not have other material exposure to fluctuation in exchange rates and no hedging instruments are used.

### RISK MANAGEMENT

The Group's business, financial conditions and results of operations may be affected by risks and uncertainties pertaining to the Group's business. The factors explained below could cause the Group's financial conditions or results of operations to differ materially from expected or historical results. Please refer to the note "Financial instruments" on page 23 for a more detailed discussion of specific risks. There may be other risks in addition to those mentioned in the Interim Report that are unknown to the Group, or which may not be material now but could be material in the future.

The Group's results are affected by trends in the industry in which it operates, particularly, investment, brokerage, corporate finance and capital markets. Income from these operations is dependent upon the interest rates, conditions in global investment and money markets and therefore there can be no assurance that changes in these conditions will not adversely affect the Group's financial conditions and results of operations.

The Group operates in highly competitive and rapidly changeable markets. New market entrants, the intensification of price competition by existing competitors, product innovation or technical advancement could adversely affect the Group's financial conditions and results of operations. When the price of securities (listed or unlisted) decreases, it will adversely affect the value of our investment portfolio.

The introduction of new legislation and rules by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Hong Kong Securities and Futures Commission and other regulatory bodies in Hong Kong and overseas may induce change in market conditions that may adversely affect the operating results of the Company.

## RISK MANAGEMENT POLICIES AND PROCEDURES

The Group has established policies and procedures for risk management which are reviewed regularly by the management to ensure the proper monitoring and control of all major risks arising from the Group's activities. The Group's Legal and Compliance Department, together with the Finance and Accounts Department and other control committees also perform regular reviews to supplement the various internal control measures adopted by management and various divisions within the Group to ensure compliance with policies and procedures.

## EMPLOYMENT, TRAINING AND DEVELOPMENT POLICIES

The number of full time employees of the Group decreased to 56 as of 31 December 2025 from 60 as of 31 December 2024. Remunerations and bonus are based on performance and are reviewed annually in conjunction with the annual employee performance appraisal. It also takes into consideration the results of the division to which the employee belongs and the Group as a whole. The Group provides a full induction program and inhouse training courses to all staff – particularly professionals registered with relevant regulatory bodies who must meet their mandatory continued professional training requirements. A share option scheme is available to directors, employees and consultants of the Group.

## INTERIM DIVIDEND

The Board of Directors has declared an interim dividend of 1 HK cent per ordinary share for the six months ended 31 December 2025 (six months ended 31 December 2024: 1 HK cent). The dividend will be payable on Friday, 27 March 2026 to shareholders whose names appear on the Register of Members at the close of business on Tuesday, 17 March 2026.

## CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Friday, 13 March 2026 to Tuesday, 17 March 2026, both days inclusive, during which period no transfers of shares will be registered. To determine entitlement to the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars, Computershare Hong Kong Investor Services Limited (at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong), for registration not later than 4:30 p.m. on Thursday, 12 March 2026.

## Management Discussion and Analysis

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2025, the interests and/or short positions of each director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV the Hong Kong Securities and Futures Ordinance ("SFO")), as recorded in the register maintained under Section 352 of the SFO or as notified to the Company were as follows:

### (I) Interest in Long Positions of Ordinary Shares of the Company

Name of director	Type of interest	Number of ordinary shares in the Company	% of total issued shares
Dr Jonathan Koon Shum Choi*	Corporate	219,795,789	28.91%
Dr Jonathan Koon Shum Choi	Personal	214,010,565	28.15%
Mr Michael Koon Ming Choi	Personal	68,600,119	9.02%
Mr Michael Koon Ming Choi	Corporate	11,819,268	1.55%

\* Dr Jonathan Koon Shum Choi is deemed to be interested in 219,795,789 ordinary shares by virtue of the SFO. Such interest in shares is also set out under the section "Substantial shareholders' interests and short positions in the shares and underlying shares of the Company" shown on page 31.

Save as disclosed above, none of the directors and chief executive of the Company or any of their spouses or children under 18 years of age has interests or short positions in the shares, underlying shares or debentures of the Company and associated corporations as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

Save as disclosed above, as at 31 December 2025, none of the directors and chief executive had any interests or short positions in the shares of the Company and its associated corporations as defined in the SFO, and none of the directors and chief executive or any of their spouses or children under 18 years of age had been granted any rights to subscribe for the shares of the Company, or had exercised any such rights during the period.

Save as disclosed above, at no time during the period was the Company or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the directors or chief executive of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2025, the register of substantial shareholders maintained under Section 336 of the SFO shows that the Company had been notified of the following substantial shareholders' interests, being 5% or more of the Company's issued share capital. These interests represent long positions in the shares of the Company.

Name of shareholder	Country of incorporation	Number of ordinary shares in the Company		% of total issued shares	Note
		Direct interest	Deemed interest		
(1) Dr Jonathan Koon Shum Choi	N/A	214,010,565	219,795,789	57.06%	(a)
(2) World Developments Limited	British Virgin Islands	185,701,741	–	24.42%	(a)
(3) Sunwah International Limited ("SIL")	Bermuda	–	185,701,741	24.42%	(a)
(4) Sun Wah Capital Limited	British Virgin Islands	34,094,048	185,701,741	28.91%	(a)
(5) Mr Michael Koon Ming Choi	N/A	68,600,119	11,819,268	10.57%	

Note:

- (a) 185,701,741 shares represent the same interest and are therefore duplicated amongst World Developments Limited, SIL, Sun Wah Capital Limited and Dr Jonathan Koon Shum Choi. World Developments Limited is a wholly owned subsidiary of SIL. Sun Wah Capital Limited beneficially owns 100% of the issued share capital of SIL and therefore is deemed (by virtue of the SFO) to be interested in these 185,701,741 shares. Dr Jonathan Koon Shum Choi, beneficially owns or has control of more than one-third of the issued share capital of Sun Wah Capital Limited and therefore is deemed (by virtue of the SFO) to be interested in these 185,701,741 shares. As Dr Jonathan Koon Shum Choi beneficially owns or has control of more than one-third of the issued share capital of Sun Wah Capital Limited, he is therefore deemed (by virtue of the SFO) to be interested in 34,094,048 shares directly owned by Sun Wah Capital Limited. Ms Janice Wing Kum Kwan, the spouse of Dr Choi, is deemed (by virtue of the SFO) to be interested in all beneficial and deemed interest of Dr Jonathan Koon Shum Choi.

Save as disclosed above, the register of substantial shareholders maintained under Section 336 of the SFO shows that the Company had not been notified by any substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital.

## CORPORATE GOVERNANCE CODE

The Company has applied the principles and has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange throughout the six months ended 31 December 2025 except for the deviation which is summarized below:

Pursuant to the code provision C.5.3 of the Corporate Governance Code, notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend. During this period, notice of one meeting was delivered to directors less than 14 days prior to the meeting. The Company had scheduled all regular Board meetings in advance and informed the Directors of the planned meeting dates. All Directors attended the relevant meeting, and the Board considers that the shorter notice period did not have any material impact on the effectiveness of the Board's proceedings.

## SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") on 24 November 2020. The principal terms of the Share Option Scheme are summarised in the circular of the Company dated 20 October 2020. The main purpose of the Share Option Scheme is to provide incentives or rewards to participants for their contribution to the Group and/or to enable the Group to recruit and retain high caliber employees and attract human resources that are valuable to the Group.

During this period, no share option had been granted, exercised, cancelled or lapsed under the Share Option Scheme.

## Management Discussion and Analysis

### **PURCHASE, SALE OR REDEMPTION OF SHARES**

During the six months ended 31 December 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

### **SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for securities transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the six months period under review and they have all confirmed that they have complied with the required standard set out in the Model Code.

### **CHANGES IN DIRECTORS' INFORMATION**

The changes in the Directors' Information as required to be disclosed pursuant to Chapter 13.51B(1) of the Listing Rules are set out below:

#### **Dr Huanfei Guan**

Dr Guan resigned as an independent non-executive director of Duangdong – Hong Kong Greater Bay Area Holdings Limited with effect from 9 January 2026.

### **AUDIT COMMITTEE**

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed financial reporting matters including the review of the interim report and the unaudited interim condensed consolidated financial statements for the six months ended 31 December 2025. Terms of reference of the Audit Committee are available on request to shareholders of the Company. The Audit Committee is also responsible for reviewing the Group's financial controls, risk management and internal control systems. The Audit Committee has begun to implement the above responsibilities, including without limitation, reviewing the Company's risk relating to strategy, operation and finance and enhancing the Group's capacity to cope with the risk associated with the business of the Group.

On behalf of the Board

#### **Michael Koon Ming Choi**

*Chief Executive Officer*

Hong Kong, 26 February 2026

# Directory of Licensed Subsidiaries and Affiliates

## LICENSED SUBSIDIARIES OF SUNWAH KINGSWAY CAPITAL HOLDINGS LIMITED

### **Kingsway Financial Services Group Limited**

Licensed Corporation of the Hong Kong Securities and Futures Commission  
Exchange Participant of The Stock Exchange of Hong Kong  
Broker Participant of Hong Kong Securities Clearing Company Limited  
Exchange Participant of Hong Kong Futures Exchange  
Participant of HKFE Clearing Corporation Limited  
Options Trading Exchange Participant of SEHK  
SEOCH Direct Clearing Participant  
Lead Underwriter and Securities Broker licence for B-Shares of Shenzhen and Shanghai Stock Exchanges granted by the China Securities Regulatory Commission  
B-Shares Special Seat Holder of Shenzhen Stock Exchange  
B-Shares Tangible Trading Seat Holder of Shanghai Stock Exchange  
B-Shares Special Clearing Participant of China Securities Depository and Clearing Corporation Limited – Shenzhen Branch  
B-Shares Clearing Participant of China Securities Depository and Clearing Corporation Limited – Shanghai Branch

### **Kingsway Capital Limited**

Licensed Corporation of the Hong Kong Securities and Futures Commission  
Main Board and GEM Board Sponsor of The Stock Exchange of Hong Kong

### **Kingsway SW Asset Management Limited**

Licensed Corporation of the Hong Kong Securities and Futures Commission

### **Kingsway SW Finance Limited**

Money Lender registered with the HKSAR Government

## AFFILIATED & OVERSEAS OFFICES

### China

- 廣東新華滙富商業保理有限公司  
601-5, Building 3  
130 Jiaoxi Road, Nansha District,  
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**SUNWAH** KINGSWAY  
**新華滙富**

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