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Capital Finance Holdings Limited
首都金融控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8239)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the "**Directors**") of Capital Finance Holdings Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of Directors (the "**Board**") of the Company is pleased to report the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 (the "**Interim Period**") together with the unaudited comparative figures for the corresponding period in 2025, as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	*4*	**10,177**	14,493
Other income and other gains and losses, net	*4*	**(1,592)**	1,064
Cost of services		**(3,178)**	(1,566)
Selling expenses		**(600)**	–
Administrative and other expenses		**(14,087)**	(11,296)
Gain on disposal of subsidiaries	*5*	**15,583**	–
Reversal of loss allowance for expected credit loss ("**ECL**") on loans to customers	*13(b)*	**415**	8,860
Finance costs	*6*	**(2,336)**	(3,173)
Profit before income tax	*7*	**4,382**	8,382
Income tax expenses	*8*	**(461)**	(16,313)
Profit/(Loss) for the period		**3,921**	(7,931)
Profit/(Loss) for the period attributable to:			
Owners of the Company		**3,216**	(8,149)
Non-controlling interests		**705**	218
		3,921	(7,931)
Earnings/(Loss) per share attributable to owners of the Company			
– Basic and diluted *(Hong Kong cents)*	*10*	**3.43**	(8.68)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Profit/(Loss) for the period		**3,921**	(7,931)
Other comprehensive income/(expenses) for the period			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation of financial statements of foreign operations		**3,579**	3,451
Items that have been reclassified to profit or loss:			
– Reclassification on exchange reserve upon disposal of subsidiaries and a joint venture		**–**	(407)
– Reclassification on exchange reserve upon disposal of subsidiaries	*5*	**2,602**	–
Other comprehensive income for the period, net of tax		**6,181**	3,044
Total comprehensive income/(expenses) for the period		**10,102**	(4,887)
Total comprehensive income/(expenses) attributable to:			
Owners of the Company		**10,593**	(6,623)
Non-controlling interests		**(491)**	1,736
		10,102	(4,887)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026 (Unaudited)** *HK$'000*	31 December 2025 (Audited) *HK$'000*
Non-current assets			
Property, plant and equipment		**249**	656
Right-of-use assets	*11*	**1,295**	1,705
Deferred tax assets		**453**	453
		1,997	2,814
Current assets			
Repossessed assets	*12*	**346**	1,647
Trade receivables	*14*	**3,181**	4,840
Loans to customers	*13*	**98,061**	24,848
Tax recoverables		**825**	751
Prepayments, deposits and other receivables		**568**	829
Cash and cash equivalents		**92,132**	97,264
		195,113	130,179
Current liabilities			
Trade payables	*15*	**2,700**	8,425
Accrued expenses, other payables and deposits received		**4,367**	6,829
Amount due to a director	*16*	**1,780**	–
Amount due to a shareholder	*17*	**98,300**	–
Promissory notes	*18*	**53,048**	70,461
Lease liabilities		**626**	782
		160,821	86,497
Net current assets		**34,292**	43,682
Total assets less current liabilities		**36,289**	46,496

	Notes	**30 June 2026 (Unaudited)** ***HK$'000***	31 December 2025 (Audited) *HK$'000*
Non-current liabilities			
Promissory notes	*18*	**–**	2,050
Lease liabilities		**648**	820
		648	2,870
Net assets		**35,641**	43,626
Capital and reserves			
Issued capital	*19*	**938**	938
Reserves		**20,516**	9,923
Equity attributable to owners of the Company		**21,454**	10,861
Non-controlling interests		**14,187**	32,765
Total equity		**35,641**	43,626

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

		Reserves								
	Issued capital *HK$'000*	Share premium *HK$'000*	Contributed surplus *HK$'000*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Statutory reserve *HK$'000*	Accumulated losses *HK$'000*	Equity attributable to owners of the Company *HK$'000*	Non-controlling interests *HK$'000*	Total equity *HK$'000*
As at 1 January 2026 (Audited)	938	704,127	193,569	304,635	(72,328)	16,132	(1,136,212)	10,861	32,765	43,626
Profit for the period	-	-	-	-	-	-	3,216	3,216	705	3,921
Other comprehensive income/(expenses)										
Item that may be reclassified subsequently to profit or loss:										
Exchange differences on translation of – financial statements of foreign operations	-	-	-	-	4,775	-	-	4,775	(1,196)	3,579
Item that has been reclassified to profit or loss:										
Reclassification on exchange reserve upon disposal of subsidiaries *(Note 5)*	-	-	-	-	2,602	-	-	2,602	-	2,602
Other comprehensive income/(expenses) for the period	-	-	-	-	7,377	-	-	7,377	(1,196)	6,181
Total comprehensive income/(expenses) for the period	-	-	-	-	7,377	-	3,216	10,593	(491)	10,102
Transfer upon disposal of subsidiaries *(Note 5)*	-	-	-	-	-	(473)	473	-	-	-
Transaction with owners										
Disposal of subsidiaries *(Note 5)*	-	-	-	-	-	-	-	-	(18,087)	(18,087)
As at 30 June 2026 (Unaudited)	938	704,127	193,569	304,635	(64,951)	15,659	(1,132,523)	21,454	14,187	35,641

For the six months ended 30 June 2025

	Issued capital HK$'000	Reserves: Share premium HK$'000	Reserves: Contributed surplus HK$'000	Reserves: Capital reserve HK$'000	Reserves: Exchange reserve HK$'000	Reserves: Statutory reserve HK$'000	Reserves: Accumulated losses HK$'000	Equity attributable to owners of the Company HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
As at 1 January 2025 (Audited)	938	704,127	193,569	304,635	(75,600)	18,644	(1,106,796)	39,517	32,631	72,148
(Loss)/Profit for the period	–	–	–	–	–	–	(8,149)	(8,149)	218	(7,931)
Other comprehensive income/(expenses)										
Item that may be reclassified subsequently to profit or loss:										
Exchange differences on translation of – financial statements of foreign operations	–	–	–	–	1,933	–	–	1,933	1,518	3,451
Item that has been reclassified to profit or loss:										
Reclassification on exchange reserve upon disposal of subsidiaries and a joint venture	–	–	–	–	(407)	–	–	(407)	–	(407)
Other comprehensive income for the period	–	–	–	–	1,526	–	–	1,526	1,518	3,044
Total comprehensive income/(expenses) for the period	–	–	–	–	1,526	–	(8,149)	(6,623)	1,736	(4,887)
Transfer to statutory reserve	–	–	–	–	–	341	(341)	–	–	–
Transfer upon disposal of subsidiaries	–	–	–	–	–	(1)	1	–	–	–
As at 30 June 2025 (Unaudited)	938	704,127	193,569	304,635	(74,074)	18,984	(1,115,285)	32,894	34,367	67,261

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	HK$'000
OPERATING ACTIVITIES			
Cash (used in)/generated from operations		**(84,784)**	12,775
Interest received		**126**	464
Income taxes paid		**(562)**	(675)
Net cash (used in)/from operating activities		**(85,220)**	12,564
INVESTING ACTIVITIES			
Net cash outflow from disposal of subsidiaries		**(71)**	–
Proceeds from disposal of subsidiaries and a joint venture		**–**	6
Proceeds from disposal of investment properties		**–**	2,043
Net cash (used in)/from investing activities		**(71)**	2,049
FINANCING ACTIVITIES			
Advance from a director		**1,200**	–
Advance from a shareholder		**98,300**	400
Repayment for lease liabilities	*11*	**(364)**	(166)
Repayment for promissory notes	*18*	**(21,801)**	(4,060)
Interest paid on promissory notes	*18*	**(269)**	(339)
Net cash from/(used in) financing activities		**77,066**	(4,165)
Net (decrease)/increase in cash and cash equivalents		**(8,225)**	10,448
Cash and cash equivalents at beginning of the period		**97,264**	72,243
Effect of foreign exchange rate changes, net		**3,093**	1,811
Cash and cash equivalents at end of the period, represented by bank balances and cash		**92,132**	84,502

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The Company was previously incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and continues as an exempted company with limited liability in accordance with the Bermuda Companies Act 1981 upon the change of domicile of the Company from the Cayman Islands to Bermuda becoming effective on 30 November 2009, and its shares are listed on GEM of the Exchange. The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business is at Unit 04, 12/F, OfficePlus @ Wan Chai, No. 303 Hennessy Road, Wan Chai, Hong Kong.

The Company is principally engaged in investment holding. The Group is principally engaged in provision of short-term financing services and information technology ("**IT**") solutions and consultancy services in financial sector in the People's Republic of China (the "**PRC**") and Hong Kong.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

2.1 Basis of Preparation

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 (the "**Interim Financial Statements**") have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Exchange.

The Interim Financial Statements have been prepared under the historical cost basis. The Interim Financial Statements are presented in Hong Kong dollars ("**HK$**"), which is same as the functional currency of the Company, and rounded to the nearest thousand unless otherwise indicated.

The Interim Financial Statements 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 31 December 2025, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), HKASs and Interpretations as issued by HKICPA. They shall be read in conjunction with the Group's audited financial statements for the year ended 31 December 2025 (the "**Annual Report 2025**").

The preparation of Interim Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

In preparing the Interim Financial Statements, significant judgements made by the Directors in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied in the Annual Report 2025.

The Interim Financial Statements have not been audited by the Company's independent auditor, but have been reviewed by the Company's audit committee (the "**Audit Committee**").

2.2 Principal Accounting Policies

The Interim Financial Statements have been prepared on a basis consistent with the accounting policies adopted in the Annual Report 2025, except for the adoption of the amendments to HKFRS Accounting Standards that are first effective from the current accounting periods beginning on 1 January 2026.

The adoption of the new/revised HKFRS Accounting Standards that are relevant to the Group and effective from the current period had no significant effect on the results and financial position of the Group for the current and prior accounting periods.

At the date of authorisation of the Interim Financial Statements, the HKICPA has issued a number of new/revised HKFRS Accounting Standards that are not yet effective for the current period, which the Group has not early adopted. HKFRS 18 "Presentation and Disclosure in Financial Statements", which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of HKFRS 18 may affect the presentation of the consolidated income statement and other comprehensive income and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

Except for above, the management of the Group does not anticipate that the adoption of the new/revised HKFRS Accounting Standards in future reporting periods will have any material impact on the financial performance and financial position of the Group.

3. SEGMENT INFORMATION

HKFRS 8, Operating Segments, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker, for the purpose of resources allocation and performance assessment. On this basis, the Group has determined that there is only one operating segment and no further analysis for segment information is presented.

In determining the Group's geographical segments and revenues are based on the location in which the customers are located.

The Group's revenue are derived from the PRC and Hong Kong during the six months ended 30 June 2026 and 30 June 2025.

The Group's revenue by geographical location, which is determined by the location of customers, is as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Hong Kong	**9,795**	11,963
The PRC	**382**	2,530
	10,177	14,493

4. REVENUE, OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue		
Revenue from other sources		
Interest income from loans to customers	**5,574**	3,193
Settlement gain from distressed debt assets classified in loans to customers	**–**	8,500
Revenue from contracts with customers within HKFRS 15 – over-time		
IT solutions and consultancy income	**4,603**	2,800
	10,177	14,493

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income and other gains and losses, net		
Exchange differences, net	**(160)**	(50)
Bank interest income	**126**	464
Charge of loss allowance for ECL on trade receivables	**(76)**	–
(Loss)/Gain on early redemption of promissory notes *(Note 18)*	**(284)**	166
Impairment losses on repossessed assets *(Note 12)*	**(889)**	–
Written-off of property, plant and equipment	**(310)**	–
Gain on disposal of subsidiaries and a joint venture	**–**	417
Other income	**1**	67
	(1,592)	1,064

5. GAIN ON DISPOSAL OF SUBSIDIARIES

On 8 May 2026 (the "**Disposal Date**"), the Group completed the disposal of its entire equity interest in Beijing Fortune Front Innovative Technology Company Limited, an indirectly wholly-owned subsidiary of the Company, and its subsidiary (together, the "**FFI Group**"), to an independent third party for a cash consideration of HK$2,100,000.

The FFI Group was principally engaged in the provision of distressed debt asset management and consultancy services in the PRC. The FFI Group did not generate any revenue and had incurred continuous losses since the year ended 31 December 2023.

At the Disposal Date, a gain on disposal of subsidiaries of approximately HK$15,583,000 arose from (i) the derecognition of the net assets of the FFI Group of approximately HK$1,982,000; (ii) the reclassification of the cumulative exchange reserve of approximately HK$2,602,000 previously recognised in equity to profit or loss; and (iii) the derecognition of non-controlling interests of approximately HK$18,087,000. In addition, upon the deconsolidation, statutory reserve of approximately HK$473,000 was transferred to accumulated losses.

6. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Effective interest expenses on		
– Promissory notes	**2,323**	3,128
– Lease liabilities	**13**	45
	2,336	3,173

7. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging the following:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Staff costs (excluding directors' emoluments)		
Salaries, bonuses, allowances and other benefits	**9,025**	7,178
Pension scheme contributions	**656**	404
Total staff costs (charged to "Cost of services" and "Administrative and other expenses" as appropriate)	**9,681**	7,582
Auditors' remuneration	**610**	480
Depreciation of property, plant and equipment	**149**	157
Depreciation of right-of-use assets	**436**	247
Short-term or low value lease payments	**147**	78

8. INCOME TAX EXPENSES

The amount of income tax expenses in the unaudited condensed consolidated income statement represents:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current income tax		
Hong Kong		
Current tax charge for the period	**431**	–
The PRC		
Current tax charge for the period	**30**	369
	461	369
Withholding tax on dividends	**–**	547
Deferred tax charged	**–**	15,397
Income tax expenses	**461**	16,313

The Company is subject to income tax on an entity basis on profits arising in or derived from the jurisdiction in which entities in the Group are domiciled and operated.

Pursuant to the rules and regulations of Bermuda, the Cayman Islands and British Virgin Islands, the Group is not subject to any income tax under these jurisdictions.

For the Interim Period, the Company's estimated assessable profits arising from Hong Kong is subject to the two-tiered profits tax regime that the first HK$2 million of assessable profits of qualifying corporations will be taxed at 8.25% and assessable profits above HK$2 million will be taxed at 16.5% under Hong Kong Profits Tax. The assessable profits of corporations in the Group not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. (2025: No provision for Hong Kong Profits Tax was made as the Group had estimated tax losses brought forward to offset against the estimated assessable profits.)

The subsidiaries of the Group established in the PRC, save for below, are subject to enterprise income tax ("**EIT**") of the PRC at 25% (2025: 25%).

According to the current effective preferential income tax policies for micro and small enterprises issued by Ministry of Finance and the State Administration of Taxation, the taxable income during the six months ended 30 June 2026 and 2025 of certain subsidiaries of the Group established in the PRC were less than Renminbi ("**RMB**") 3 million, which satisfies the provisions of the above income tax policies. During the Interim Period, the part of taxable income that is not in excess of RMB1 million is reduced to 25% (2025: 25%) of original total taxable income, and the applicable EIT rate is 20% (2025: 20%). Additionally, the part of taxable income that is between RMB1 million and RMB3 million is reduced to 25% (2025: 25%) of original total taxable income, and the applicable EIT rate is 20% (2025: 20%).

Dividend distribution out of profit of foreign-invested enterprises earned in the PRC subsequent to 1 January 2008 is subject to withholding income tax at a tax rate of 10% (2025:10%).

9. DIVIDEND

The Directors do not recommend for payment of a dividend for the Interim Period (2025: Nil).

10. EARNINGS/(LOSS) PER SHARE

The calculations of basic earnings/(loss) per share for the current period and prior period are based on the profit/(loss) for the period attributable to the owners of the Company, and the weighted average number of ordinary shares in issue during the current period and prior period are set forth below.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Profit/(Loss)		
Profit/(Loss) attributable to the owners of the Company, used in the basic earnings/(loss) per share calculation	**3,216**	(8,149)

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for basic earnings/(loss) per share calculation	**93,841**	93,841

For the six months ended 30 June 2026 and 30 June 2025, there are no potential dilutive ordinary shares in existence. Therefore, the basic and diluted earnings/(loss) per share for the six months ended 30 June 2026 and 30 June 2025 are the same.

11. RIGHT-OF-USE ASSETS

The Group obtains right to control the use of various office premises and staff quarters for its daily operation for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain a wide range of different terms and conditions including lease payments and lease terms ranging from 2 to 5 years (as at 31 December 2025: 2 to 5 years). Except for lease covenants mainly related to the maintenance and use of the leased assets that are commonly found in lease arrangements, there are no other covenants or restrictions imposed by the lease agreements. The leased assets may not be used as security for borrowing purposes.

During the Interim Period, the Group has no additions to right-of-use assets (2025: Nil).

During the Interim Period, the total cash outflow for leases was approximately HK$511,000, including prepayment for short-term leases of approximately HK$147,000 (six months ended 30 June 2025: total cash outflow for leases was approximately HK$244,000 including prepayment for short-term leases of approximately HK$78,000).

12. REPOSSESSED ASSETS

The Group obtained assets by taking possession of collaterals held as security in relation to loans to customers. The nature and carrying value of the assets held as at the end of the reporting period are summarised as follows:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Repossessed properties		
– real estate properties	**346**	1,647

	Period from 1 January 2026 to 30 June 2026 (Unaudited) *HK$'000*	Year ended 31 December 2025 (Audited) *HK$'000*
At the beginning of the reporting period	**1,647**	1,575
Disposal	**(456)**	–
Impairment	**(889)**	–
Exchange realignments	**44**	72
At the end of the reporting period	**346**	1,647

The repossessed assets comprises properties in respect of which the Group has acquired access or control through court proceeding. The Group will proceed to dispose of the properties within a reasonable time after possession in accordance to relevant regulatory requirements.

During the Interim Period, the Group recognised an impairment loss of approximately HK$889,000 on repossessed assets. The impairment was primarily attributable to a decline in property market prices in the PRC.

On 8 May 2026, Beijing Zhongjinfu Micro-financing Company Limited ("**Beijing Micro-financing**"), a non-wholly owned subsidiary of the Company, has entered into an agreement with an independent third party, pursuant to which Beijing Micro-financing has agreed to sell the property, which is a residential premise located in Beijing, for a total consideration of RMB400,000 (equivalent to approximately HK$456,000) (the "**Disposal**"). The carrying value of the property was RMB400,000 (equivalent to approximately HK$456,000).

The Disposal was completed, with no significant gain or loss on disposal of repossessed assets recognised in the profit or loss during the six months ended 30 June 2026.

13. LOANS TO CUSTOMERS

	Note	**30 June 2026 (Unaudited)** *HK$'000*	31 December 2025 (Audited) *HK$'000*
Principal and interest receivables:			
Micro-credit loans		**4,692**	26,548
Distressed debt assets		**–**	5,901
Corporate loans		**96,211**	–
Personal loans		**9,700**	10,981
Loans to customers, gross		**110,603**	43,430
Less:			
Loss allowance	*13(b)*	**(12,542)**	(18,582)
Loans to customers, net		**98,061**	24,848
Analysed as:			
Current assets		**98,061**	24,848

The loans to customers are arising from the Group's micro-credit loans, distressed debt assets, corporate loans and personal loans. They represented loan principal and interest receivables from micro-credit loans, distressed debt assets, corporate loans and personal loans. The customers are obliged to settle the amounts according to the terms set out in the relevant contracts. The loan periods granted to customers are mainly ranging from 12 to 13 months (2025: 1 to 13 months).

Loss allowance on loans to customers which are short-term in duration (i.e. loan-term of less than or equal to one year) are always measured at an amount equal to lifetime ECL.

(a) Credit Quality Analysis

Based on the requirements of HKFRS 9, credit quality analysis of loans to customers before loss allowance for ECL as at the end of reporting period, is as follows:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Neither overdue nor credit-impaired	**105,911**	21,338
Overdue but not credit-impaired		
– overdue within 30 days	**–**	300
– overdue 30 to 90 days	**–**	2,090
Overdue and credit-impaired		
– overdue more than 90 days	**4,692**	19,702
	110,603	43,430

The Group has adopted the ECL model as required by HKFRS 9 since 1 January 2018 in assessing and measuring the loss allowance for the Group's loans to customers. As described in the above table, the management categorised the loans into mainly 3 categories: (a) neither overdue nor credit-impaired, (b) overdue but not credit-impaired and (c) overdue and credit-impaired. The management considered a number of factors in determining whether the loans are credit-impaired and concluded that, based on the Group's past experience in loan financing business and relevant forward looking information available to the Group, loans with more than 90 days past due are considered as credit-impaired.

The Group considers the past default experience of the debtor, general economic conditions of the industry in which the debtors operate, the value of collateral and an assessment of both the current as well as the forecast directions of conditions as at the reporting date.

The management reviews the individual outstanding loans at least semi-annually or more regularly when individual circumstances required. Collectively assessment on loss allowance for loans to customers are provided for portfolios of loans to customers with homogeneous collateral type while individually assessment on loss allowance for loans to customers are determined by an evaluation of the incurred loss on a case-by-case basis.

(b) Movement of loss allowance for ECL on loans to customers under HKFRS 9:

	Period from 1 January 2026 to 30 June 2026 (Unaudited) ***HK$'000***	Year ended 31 December 2025 (Audited) *HK$'000*
At the beginning of the reporting period	**18,582**	105,106
Credited to profit or loss	**(415)**	(12,493)
Disposal	**(6,005)**	(75,946)
Exchange realignments	**380**	1,915
At the end of the reporting period	**12,542**	18,582

Specifically, in estimating the amount of ECL, the management uses various approaches taking into account (i) ageing of the Group's loans to customers based on the categories as described above and (ii) the difference between the effective interest rate charged by the Group to the borrowers, which in the opinion of the management, reflects the market borrowing rate of the respective borrowers and the rate that the Group would charge to borrowers with low credit risk, which the management believes that the difference best reflects the Group's exposure credit risk. The Group also takes into account forward-looking information, e.g. the industry and business environment, etc. The Group has recognised loss allowance for ECL, representing approximately 11.3% (as at 31 December 2025: approximately 42.8%) of the gross carrying amount, against all loans to customers as at 30 June 2026.

The Group's loss allowance for ECL on loans to customers may also take into account the subsequent settlement, certain collateral valuation and the management's judgement on the marketability of the collateral properties and customers' capability of payment.

14. TRADE RECEIVABLES

Trade receivables arise from the provision of IT solutions and consultancy services. The Group grants a credit period of 180 days to its customers. All trade receivables are denominated in HK$. The following is an ageing analysis of trade receivables after deducting the loss allowance for ECL presented based on invoice dates at the end of the reporting period:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
0 to 30 days	**976**	328
31 to 60 days	**–**	1,968
61 to 90 days	**756**	2,544
181 to 365 days	**1,449**	–
	3,181	4,840

15. TRADE PAYABLES

The Group is normally granted with a credit term up to 90 days. The following is an ageing analysis of trade payables based on the invoice dates at the end of the reporting period:

	30 June 2026 (Unaudited) ***HK$'000***	31 December 2025 (Audited) *HK$'000*
0 to 30 days	**–**	1,600
31 to 60 days	**–**	3,700
61 to 90 days	**–**	3,125
91 to 180 days	**1,900**	–
Over 180 days	**800**	–
	2,700	8,425

16. AMOUNT DUE TO A DIRECTOR

The amount due to a director is unsecured, interest-free and repayable on demand.

17. AMOUNT DUE TO A SHAREHOLDER

The amount due to a shareholder is unsecured, interest-bearing at 0.5% per annum and repayable on demand.

18. PROMISSORY NOTES

	Period from 1 January 2026 to 30 June 2026 (Unaudited) *HK$'000*	Year ended 31 December 2025 (Audited) *HK$'000*
At the beginning of the reporting period	**72,511**	73,804
Issued during the period	**–**	65,574
Effective interest expenses	**2,323**	6,338
Interest payments	**(269)**	(607)
Early redemption	**(21,517)**	(5,933)
Settlement of matured promissory notes by issuance of new promissory notes	**–**	(66,665)
Carrying value at the end of the reporting period	**53,048**	72,511
Face value at the end of the reporting period	**51,877**	73,385
Analysed as:		
Non-current liabilities	**–**	2,050
Current liabilities	**53,048**	70,461
	53,048	72,511

On 2 February 2026 and 17 June 2026, the Group and a holder of promissory note entered redemption agreements with a holder of promissory notes to early redeem promissory notes with aggregate principal amount of approximately HK$21,508,000 and interest amount of approximately HK$293,000 by cash settlement at consideration of HK$21,801,000. The carrying values of the promissory notes redeemed were approximately HK$21,517,000 and a loss on early redemption of approximately HK$284,000 was recognised to profit or loss during the Interim Period.

19. SHARE CAPITAL

	Number of shares *'000*	Amount *HK$'000*
Authorised:		
As at 1 January 2025 (audited), 31 December 2025 (audited) and 30 June 2026 (unaudited), ordinary shares of HK$0.01 each	100,000,000	1,000,000
Issued and fully paid:		
As at 1 January 2025 (audited), 31 December 2025 (audited) and 30 June 2026 (unaudited), ordinary shares of HK$0.01 each	93,841	938

20. RELATED PARTY TRANSACTIONS

Save for those transactions/information disclosed elsewhere in the unaudited condensed consolidated financial statements, details of transactions between the Group and related parties are disclosed below.

Lease payments of approximately HK$82,000 (2025: approximately HK$118,000) were paid to a non-controlling interests of non-wholly owned subsidiary of the Group during the six months ended 30 June 2026. The lease payments were charged at approximately RMB200,000 per year with 10% increment for every 5 years from 1 September 2018 to 31 December 2034, which the tenancy agreement was early terminated on 31 August 2025.

On 25 September 2025, the Group entered a new tenancy agreement. The lease payments were charged at approximately RMB144,000 per year with 10% increment for every 3 years from 25 September 2025 to 24 September 2030. The future minimum lease payments under non-cancellable operating lease in respect of such property was approximately HK$726,000 (2025: approximately HK$2,457,000) as at 30 June 2026.

21. EVENT AFTER THE REPORTING PERIOD

The Company and the placing agent entered into a placing agreement on 3 July 2026 (the "**Placing Agreement**"), pursuant to which the placing agent has conditionally agreed to act as the placing agent of the Company for the purpose of procuring not less than six placees on a best effort basis to subscribe for up to 7,500,000 new ordinary shares (the "**Placing Shares**") at a price of HK$16.10 per Placing Shares (the "**Placing**"). The Placing Shares rank *pari passu* in all respect with the then existing shares of the Company. The average closing price of share was approximately HK$19.19 per share as quoted on the Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement. The Placing Shares would be allotted and issued pursuant to the general mandate granted to the directors of the Company pursuant to an ordinary resolution of the Company passed at the annual general meeting of the Company held on 22 May 2026 and is not subject to further shareholders' approval. The completion of the Placing took place on 23 July 2026. A total of 3,927,500 Placing Shares had been successfully placed and the gross proceeds from the Placing were approximately HK$63.23 million. The net placing price was approximately HK$15.68 per Placing Share. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, professional fees and other related expenses) incidental to the Placing, are amounted to approximately HK$61.58 million. As of the date of this announcement, the net proceeds have been fully utilised for repayment of the interest-bearing loan and respective interest.

Details of the Placing were set out in the Company's announcements dated 3 July 2026, 6 July 2026, 10 July 2026 and 23 July 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

During the Interim Period, the Group is principally engaged in the provision of short-term financing services and information technology ("**IT**") solutions and consultancy services in financing sector in the PRC and Hong Kong.

The Group recorded total revenue for the Interim Period of approximately HK$10,177,000 (2025: approximately HK$14,493,000), representing a decrease of approximately HK$4,316,000 as compared with the corresponding period last year. This decrease was mainly attributable to the combined effects of no settlement gain from distressed debt assets under short-term financing services in Hong Kong and increase in IT solutions and consultancy services income during the Interim Period.

The selling expenses for the Interim Period increased by approximately HK$600,000 (2025: nil). The increase was mainly due to the increase in the promotion and marketing fees for the Group.

Other income and other gains and losses, net for the Interim Period was net other losses of approximately HK$1,592,000 (2025: net other gains of approximately HK$1,064,000), which represents a decrease of approximately HK$2,656,000 when compared with the corresponding period of 2025. The net other losses was mainly due to the impairment losses on repossessed assets.

Gain on disposal of subsidiaries was mainly due to the one-off gain on disposal of subsidiaries of approximately HK$15,583,000 mainly resulted from the combined impact of the derecognition of non-controlling interests of approximately HK$18,087,000 and the reclassification of the accumulated exchange reserve of the disposed subsidiaries of approximately HK$2,602,000 to profit or loss upon the disposal during the Interim Period.

The administrative and other expenses for the Interim Period increased by approximately HK$2,791,000 to approximately HK$14,087,000 (2025: approximately HK$11,296,000). The increase was mainly due to the increase of the legal and professional fees of approximately HK$1,600,000 and the increase of staff costs of approximately HK$817,000 when compared to the corresponding period of 2025.

The Group recorded reversal of loss allowance for ECL on loans to customers for the Interim Period of approximately HK$415,000 (2025: approximately HK$8,860,000), representing a decrease in reversal of loss allowance of approximately HK$8,445,000 as compared with corresponding period of 2025. The decrease in the reversal of loss allowance for ECL during the Interim Period was mainly due to net-off effect of the reversal of loss allowance for ECL arising from the settlement of loan to customers approximately HK$7,840,000 in the PRC and loss allowance for ECL arising from new loan to customers approximately HK$7,425,000 in Hong Kong.

The finance costs for the Interim Period decreased by approximately HK$837,000 to approximately HK$2,336,000 (2025: approximately HK$3,173,000) was mainly due to the decrease in overall debt position during the Interim Period, driven by the early redemption of promissory notes during the year ended 31 December 2025 and the Interim Period.

Income tax expense for the Interim Period significantly decreased by approximately HK$15,852,000 to approximately HK$461,000 (2025: approximately HK$16,313,000), which was mainly due to no reversal of the temporary difference related to the loss allowance for ECL arising from the disposal of loans to customers during the Interim Period.

The profit attributable to the owners of the Company for the Interim Period was approximately HK$3,216,000 (2025: loss attributable to the owners of the Company approximately HK$8,149,000). The turnaround from loss to profit was mainly attributable to the combined effects of (i) decrease in total revenue; (ii) decrease in other income and other gains or losses; (iii) decrease in reversal of loss allowance for ECL on loans to customers; (iv) decrease in income tax expenses; and (v) increase in gain on disposal of subsidiaries as mentioned above.

PROSPECTS

Looking ahead to the second half of 2026 and beyond, the global operating landscape will continue to be clouded by multi-layered uncertainties. Geopolitical frictions across the Middle East and Eastern Europe persist, while recurring US-China trade tariff tensions keep global credit premiums elevated and cross-border capital flows volatile. Inflation remains sticky at moderate levels, and mounting worldwide sovereign and corporate debt risks weigh on investor and business confidence. Domestically in Chinese Mainland, the post-pandemic recovery stays uneven; prolonged property sector headwinds, tightened microcredit regulatory requirements and subdued corporate borrowing appetite have collectively compressed profit margins for private short-term financing institutions. Meanwhile, the short-term financing industry is set to advance along three core trajectories: stricter compliance supervision, widespread digital and intelligent transformation, and differentiated niche competition, intensifying market consolidation and the "survival of the fittest" pattern observed throughout 2025.

Against this macro backdrop, the Group will uphold its core development strategy of "consolidating core financing businesses and expanding technology-enabled auxiliary tracks" with consistent prudence. For our short-term lending segment, the Group will further pivot resource allocation towards the Hong Kong market to mitigate risks stemming from Chinese Mainland secured lending constraints. Leveraging the information edge and ongoing business visibility from its technology service partnerships, the Group maintains robust pre-disbursement multi-dimensional credit vetting and mandatory monthly post-loan monitoring frameworks to cap credit risks. Prior to granting each unsecured corporate loan, the Group conducts standalone, loan by loan comprehensive credit due diligence, including know-your-client (KYC) and anti money laundering (AML) screening, verification of beneficial owners, financial position and income statement assessment, internal credit rating assignment and multi level credit approval by designated directors, compliance officer and money laundering reporting officer of the money lending entity with relevant lending industry experience. The

Group maintains and will continue to adhere to full documentation of the whole due diligence and approval trail, retain complete transaction records, and ensure independent judgement with adequate skepticism is exercised by the management when reviewing loan terms, counterparty creditworthiness and expected commercial outcomes; where complexity or material risk arises, the Group will consider engaging independent professional advisers as appropriate. To safeguard independent credit decision making, the Group has adopted a policy under which unsecured loans will not be granted to its information technology (IT) services clients unless such clients have fully settled all outstanding service fees payable to the Group. Monthly post disbursement monitoring covers repayment track record updates, review of borrowers' latest financial information, continuous business condition follow up, periodic corporate registry and adverse media searches, together with ad hoc reassessment of internal credit ratings; enhanced remedial risk mitigation steps will be triggered upon any material deterioration of borrower creditworthiness. The Group has in place and will continue to operate formal escalation procedures for material credit red flags, conduct holistic portfolio reviews to guard against concentration risk, and require fresh, up-to-date due-diligence for every loan renewal rather than relying on historical assessment outcomes. Concurrently, the Group will ramp up distressed debt asset screening and investment to diversify interest-bearing revenue streams and improve loan portfolio quality, while continuously tightening internal risk thresholds to suppress non-performing exposure.

Digitalisation and artificial intelligence will remain central to the Group's operational upgrading agenda. Building on the Group's joint research partnership with The Hong Kong Polytechnic University, the Group will accelerate the iteration of proprietary AI-driven systems covering intelligent marketing, automated workflow administration and algorithmic risk control. The Group's dedicated seven-person technology team, supported by external software vendors for non-core module development, will expand the Group's B2B technology service footprint across Hong Kong and Chinese Mainland, creating a stable supplementary revenue pillar that generates cross-selling synergies with the Group's financing business and broadens the Group's institutional client pipeline. The IT consultancy business also provides enhanced business insight and information visibility supporting the Group's selective unsecured corporate lending risk assessment for technology sector borrowers. The Group maintains and will continue to sustain adequate staffing resources, periodic compliance training and robust IT back up and data retention controls for technology driven operations to mitigate system failure and data loss risks.

To counteract margin compression in traditional lending, the Group will persistently diversify its income mix by scaling technology consultancy revenue, balancing secured and selective unsecured lending portfolios, and capturing high-quality working capital financing demand from underserved tech SMEs as well as other potential and possible industries and professions in Hong Kong that lack tangible collateral acceptable to mainstream banks. All unsecured corporate loans are subject to risk based pricing reflective of underlying credit risk; loan tenors are generally one year with quarterly interest payments, principal amounts typically ranging from HK$2.2 million to HK$6 million. The Group will maintain strict limits on portfolio size, and each loan renewal will trigger a full round of fresh credit assessment, with no automatic renewal. The management conducts ongoing review of the unsecured lending risk management framework with reference to the Exchange's published practical guidance on risk management and internal control systems for issuers undertaking money lending activities, to ensure internal control processes remain fit for purpose. The management bears and will continue to bear ultimate responsibility for setting risk appetite and maintaining effective Risk Management and Internal Control ("**RMIC**") systems; management is tasked with designing, executing and monitoring such systems, and the audit committee oversees and will continue to review RMIC effectiveness on an ongoing basis, with formal annual effectiveness review to be completed as required by Listing Rules requirements. The Group will also closely track evolving regulatory policies governing microcredit, pawn operations and financial technology on both sides of the border, updating internal risk management and internal control frameworks proactively to ensure full regulatory compliance across all business lines. As disclosed in prior announcements, the Group held approximately HK$92 million in unaudited cash and cash equivalents as at 30 June 2026, and the proposed share placing exercise is intended to reduce borrowings, strengthen liquidity flexibility and provide sufficient capital buffer to enhance the Group's financial position for the full financial year ending 31 December 2026. The Group operates and will continue to uphold clear approval hierarchies for fund deployment, enforce segregation of duty arrangements within finance and treasury functions, and track proceeds utilisation to ensure funds are deployed in alignment with announced business purposes.

Notwithstanding the above growth initiatives, the Group faces pronounced revenue contraction in its Beijing-based short-term financing operations. Revenue generated from Beijing business has slumped in the year of 2026, primarily dragged by persistently weak local corporate financing demand, stringent regulatory caps on comprehensive financing costs and saturated market competition within Chinese Mainland microcredit sectors. The Board follows and will continue to follow assessment of commercial rationale, counterparty background, cost benefit analysis, fair and reasonable transaction terms, conflict of interest considerations and required corporate approvals; independent professional advice will be obtained where circumstances warrant.

While the Group's dual-engine model of prudent short-term financing and value-added fintech consultancy positions us to capture structural industry transformation opportunities. Given that the scope of corporate lending is not confined to the technology sector, additional industry specific risks from non tech corporate borrowers are duly considered and assessed, and will continue to be duly considered and assessed under the Group's credit risk assessment framework. The execution of our digital transformation roadmap, the performance recovery of regional lending portfolios including the Beijing business, and the scale expansion of IT consultancy services and the performance of the Hong Kong based corporate-loan portfolio are all subject to external variables such as fluctuating macroeconomic conditions, shifting cross-border regulatory rules and intensifying industrial competition. There can be no guarantee that the Group's current strategic initiatives will deliver anticipated revenue growth or profitability improvements in the near term. Shareholders and prospective investors should exercise caution amid prevailing market headwinds. However, the Board strives to and will continue to closely monitor market shifts and adjust operational strategies dynamically to deliver sustainable long-term shareholder value.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

Saved as disclosed in this announcement, the Group did not process any other significant investments, acquisition or disposal of subsidiaries or associated companies during the Interim Period.

FURTHER PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this announcement, the Group currently does not have any firm intention or specific plans for material investments or capital assets.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group had other debts of approximately HK$153,128,000 (as at 31 December 2025: approximately HK$72,511,000). The Group will try to obtain future financing, and whenever possible and appropriate, raise fund via a combination of equity funding activities and internally generated cash flows in order to further reduce the financing cost.

As at 30 June 2026, the Group had cash and cash equivalents of approximately HK$92,132,000 (as at 31 December 2025: approximately HK$97,264,000) which are mainly denominated in HK$ and RMB. To manage liquidity risk, management monitors forecasts of the Group's liability position and cash and cash equivalent position on the basis of expected cash flow. The Group expects to fund the future cash flow needs through internally cash flows generated from operations and external fund raising activities from the capital market.

As at 30 June 2026, the gearing ratio for the Group was approximately 7.1 (as at 31 December 2025: approximately 6.7), calculated based on the total debts of approximately HK$153,128,000 (as at 31 December 2025: approximately HK$72,511,000) over shareholder's equity of approximately HK$21,454,000 (as at 31 December 2025: approximately HK$10,861,000). The debt ratio was approximately 0.82 (as at 31 December 2025: approximately 0.67), calculated as total liabilities over total assets of the Group.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

CAPITAL STRUCTURE

The capital structure of the Group during the Interim Period is summarised as follows:

(I) Bank Borrowings

There was no bank borrowings outstanding as at 30 June 2026 and 31 December 2025.

(II) Promissory Notes

Summary of the promissory notes are as follows. Further details are set out in Note 18 to the unaudited condensed consolidated financial statements.

Date of issue	Principal amount as at 1 January 2026 *(HK$)*	Interest rate per annum	Principal repayment due date *(Note)*	Redeemed principal amount *(HK$)*	Outstanding principal amount as at 30 June 2026 *(HK$)*
5 August 2024	6,720,000	8%	4 August 2026	–	6,720,000
31 December 2025	64,594,907	6%	30 December 2026	(21,507,946)	43,086,961
23 December 2025	2,070,000	7%	22 June 2027	–	2,070,000

Note: On 5 August 2024, the Company entered into an agreement with a holder of the New 2023 CB (the definition and details are set out in Note 25 to the Annual Report 2024), pursuant to which the Company issued a new promissory note, (which will mature on 4 August 2026) with principal amount of HK$6,720,000 to settle the outstanding principal amount of HK$6,400,000 with redemption premium of HK$320,000 of the New 2023 CB, which was matured on 5 August 2024.

On 31 December 2025, the Company, an indirectly wholly-owned subsidiary of the Company (the "**Subsidiary**") and the promissory note holder entered into an agreement pursuant to which the Subsidiary issued a new promissory note with a principal amount of approximately HK$64,595,000 to the promissory note holder to settle the Company's existing promissory note with an outstanding principal amount of approximately HK$58,055,000 and accrued interest of approximately HK$6,540,000 which matured on 31 December 2025.

On 23 December 2025, the Company, the Subsidiary and the promissory note holder entered into an agreement pursuant to which the Subsidiary issued a new promissory note with a principal amount of approximately HK$2,070,000 to the promissory note holder to settle the Company's existing promissory note with an outstanding principal amount of approximately HK$2,000,000 and accrued interest of approximately HK$70,000 which matured on 23 December 2025.

On 2 February 2026 and 17 June 2026, the Subsidiary and a holder of promissory note entered into redemption agreements, to early redeem the promissory note with principal amount of approximately HK$21,508,000 and interest amount of approximately HK$293,000 by cash settlement at consideration of approximately HK$21,801,000. Upon completion of the redemption, the remaining outstanding principal of promissory note is approximately HK$43,087,000. The carrying amount of the promissory note redeemed was approximately HK$21,517,000 and a settlement loss of approximately HK$284,000 was recognised in the profit or loss during the Interim Period.

(III) Change in Board Lot Size

On 4 May 2026, the board lot size of the ordinary shares of the Company of HK$0.01 each (the "**Shares**") for trading on GEM of the Exchange be changed from 10,000 Shares to 500 Shares with effect from Tuesday, 26 May 2026 (the "**Change in Board Lot Size**"). Upon the Change in Board Lot Size becoming effective, the Shares shall be traded in board lot of 500 Shares each and the estimated market value of each board lot of the Shares would be HK$7,490 (based on the closing price of HK$14.980 per Share as quoted on the Exchange as of 4 May 2026). The change in board lot size would not result in any change in the relative rights of the shareholders of the Company. The Board expected that the reduction in board lot size would lower the threshold for investors to purchase the Shares, which will enable the Company to facilitate the trading and improve the liquidity of the Shares by attracting more investors and therefore broaden the shareholder base of the Company. Details of the Change in Board Lot Size are set out in the Company's announcement dated 4 May 2026.

FUND-RAISING ACTIVITIES

Saved as disclosed in this announcement, the Company did not conduct any fund-raising activities during the Interim Period.

FOREIGN EXCHANGE EXPOSURE

The Group has transactional currency exposures. Such exposures arise from the business operations in the PRC denominated in RMB. As at 30 June 2026, the Group had a minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities were principally denominated in the respective functional currency, i.e. RMB, used by the respective group entities.

The RMB is not freely convertible into other foreign currencies and conversion of the RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by the PRC government. As at 30 June 2026, the Group did not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will closely monitor its foreign currency exposure and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

As at 30 June 2026, the Group had no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the-counter contingent forward transactions.

CHARGE OF GROUP ASSETS

As at 30 June 2026 and 31 December 2025, the Group did not have any assets under charge.

EMPLOYEE INFORMATION AND REMUNERATION POLICY

As at 30 June 2026, the Group employed a total of 37 employees (as at 31 December 2025: 49). The salaries and benefits of the Group's employees are maintained at a competitive level and employees are rewarded on a discretionary performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually. Year-ended bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical scheme to its employees. Staff costs, excluding Directors' emoluments, for the Interim Period amounted to approximately HK$9,681,000 (30 June 2025: approximately HK$7,582,000).

The Company has a share option scheme in place, please refer to the paragraph headed "Share Option Scheme" in this announcement for further details.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liability (31 December 2025: Nil).

EVENT AFTER REPORTING PERIOD

Details of the significant event after the Interim Period of the Group are set out in Note 21 to the unaudited condensed consolidated financial statements.

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

As at 30 June 2026, none of the Directors and chief executives of the Company has any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Future Ordinance (the "**SFO**")) which are required to be notified to the Company and the Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which are required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Exchange.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Interim Period was the Company or any of its subsidiaries a party to any arrangement to enable any of the Directors or the chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate, and none of the Directors, their spouse or their children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the Interim Period.

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

The register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that, as at 30 June 2026, the following companies and persons (other than a director or chief executive of the Company as disclosed under the section headed "Directors' and chief executives' interests and short positions in shares, underlying shares and debentures of the Company or any associated corporation" above) had interests in more than 5% of the Company's issued share capital:

Long Positions in the Shares

Name of substantial shareholder	Number of shares interested Direct interests	Deemed interests	Total interests	Percentage of the issued share of the Company *(Note 3)*
Ms. Wang Jiayao	1,860,000	4,210,000 *(Note 1)*	6,070,000	6.47
Mr. Yip Chi Him *(Note 2)*	–	26,600,000	26,600,000	28.35
HSI TECHNOLOGY (HONG KONG) LIMITED	26,600,000	–	26,600,000	28.35

Notes:

1. QUANTERA LIMITED is wholly and beneficially owned by Ms. Wang Jiayao. By virtue of the SFO, Ms. Wang Jiayao is deemed to be interested in the 4,210,000 shares of the Company.

2. HSI TECHNOLOGY (HONG KONG) LIMITED is wholly and beneficially owned by Mr. Yip Chi Him. Accordingly, Mr. Yip Chi Him is deemed to be interested in the 26,600,000 shares of the Company.

3. The percentage represents the number of shares interested divided by the number of the issued shares as at 30 June 2026 (i.e. 93,841,461 shares).

Save as disclosed above, the Directors are not aware of any other person (other than the Directors and chief executives of the Company) who, as at 30 June 2026, had an interest or a short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register kept by the Company under Section 336 of the SFO.

SHARE OPTION SCHEME

The Company's share option scheme (the "**Share Option Scheme**") was adopted pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 18 June 2024 (the "**Adoption Date**") for the purpose of providing incentives or rewards to the eligible participants as to recognise and motivate the contribution and potential future contribution by providing them the opportunity to acquire equity interests in the Company. The Share Option Scheme will remain in force for a period of ten years commencing from the Adoption Date. Accordingly, the Share Option Scheme will expire on 17 June 2034.

Eligible participants of the Share Option Scheme include Directors, non-executive officers including independent non-executive Directors, employees of the Group, related entity participants and service providers who provide services to any member of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group.

There is no outstanding options or unvested awards at the beginning and at the end of the Interim Period. No option was granted, vested, lapsed, cancelled or exercised during the Interim Period.

As at 1 January 2026 and 30 June 2026, the total number of options available for grant under the scheme mandate limit and available for issue under the Share Option Scheme were 9,384,146. As at 1 January 2026 and 30 June 2026, the total number of options available for grant under the service provider sublimit and available for issue under the Share Option Scheme were 938,414.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct for securities transactions by the Directors on terms no less exacting than the Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**"). The Company had made specific enquiries with written guidelines in relation to the Model Code to all Directors and all Directors have confirmed that they complied with the required standards set out in the Model Code throughout the Interim Period.

CHANGES IN DIRECTORS' INFORMATION

Subsequent to the date of the Annual Report 2025, the changes in the Directors' information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules are set out below:

Name of Director(s)	Details of Changes
Mr. Wong Ming Fair Victor	resigned as an executive director of the Company with effect from 15 May 2026

INTERESTS IN A COMPETING BUSINESS

During the Interim Period, none of the Directors, the controlling shareholders or substantial shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) had engaged in any business that competes or might compete with the business of the Group, or had any other conflict of interests with the Group.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Interim Period.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to promoting high standards of corporate governance through its continuous effort in improving its corporate governance practices and process. Throughout the Interim Period, the Company has complied with all the code provisions set out in Appendix C1 Corporate Governance Code of the GEM Listing Rules.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2026.

AUDIT COMMITTEE

The unaudited condensed consolidated financial statements of the Group for the Interim Period have been reviewed by the Audit Committee, which was of the opinion that the preparation of such financial information complied with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements and that adequate disclosures have been made.

By Order of the Board
Capital Finance Holdings Limited
Zeng Zhiyun
Chairman and Executive Director

Hong Kong, 26 August 2026

As of the date of this announcement, the executive Directors are Mr. Zeng Zhiyun (Chairman), Ms. Qiu Mengru (Chief Executive Officer) and Ms. Li Wei; and the independent non-executive Directors are Mr. Tang Wai Yau, Mr. Li Wei and Mr. Wu Chennan.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Exchange at http://www.hkexnews.hk for at least 7 days from the date of its posting and on the Company's website at http://www.capitalfinance.hk.