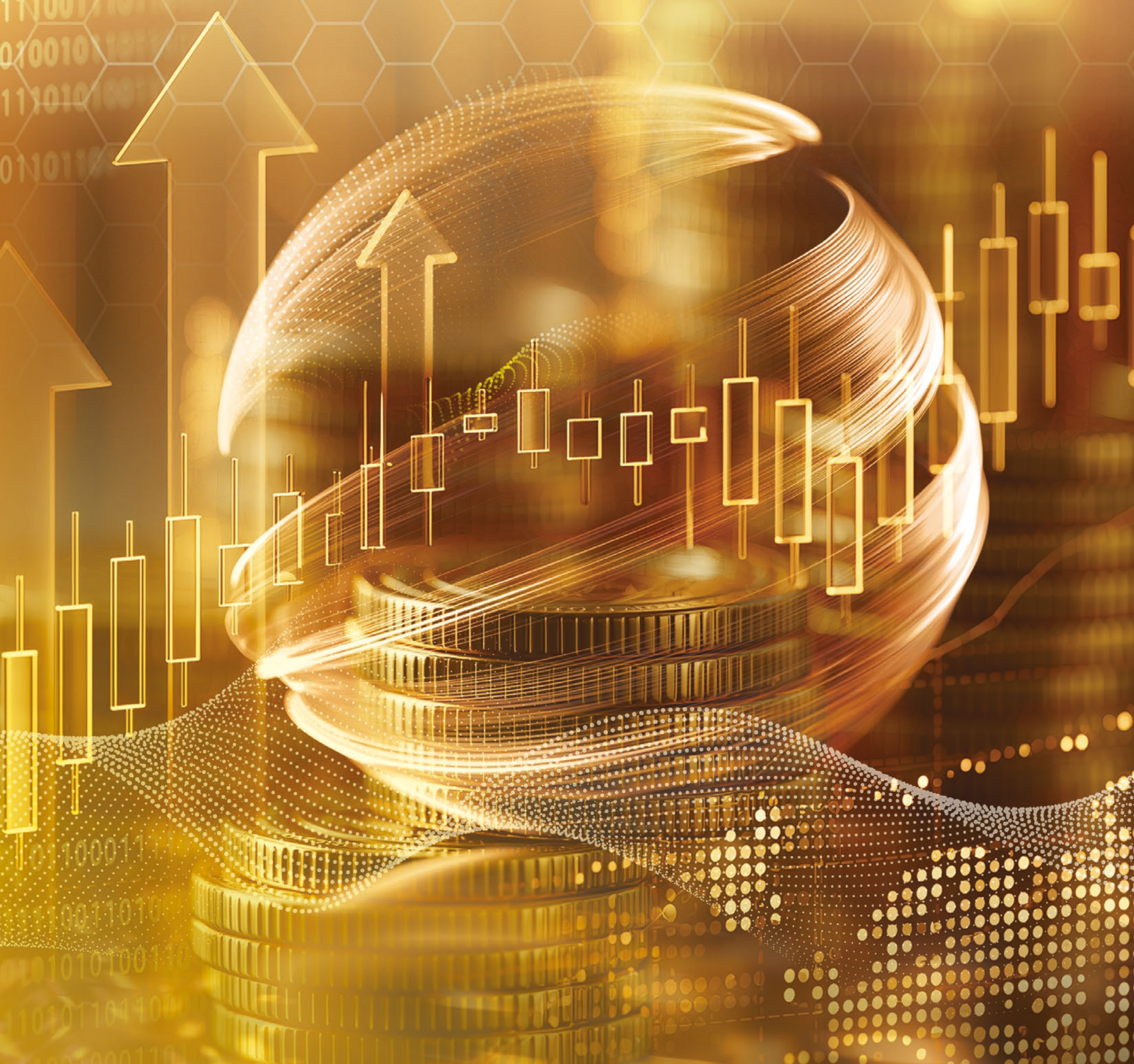
基石金融控股有限公司
CORNERSTONE FINANCIAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：8112



2026 中期報告 Interim Report

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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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the "Directors") of Cornerstone Financial 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 Stock 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 report 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 report misleading.

CONTENTS

This interim report will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of posting and on the website of the Company at www.cs8112.com. The Company has set out in details on its website under the "Investor Relations" section the manner for the dissemination of its corporate communications, and the relevant arrangements for shareholders to request for corporate communications in printed form. Shareholders may send a written request to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at the address or email as shown therein for a printed copy of this interim report.

Shareholders are encouraged to access the corporate communications of the Company through the websites of the Stock Exchange and the Company in lieu of receiving printed copies to help protect the environment.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND FUTURE PROSPECTS

During the six months ended 30 June 2026 (the "Reporting Period"), Cornerstone Financial Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") were principally engaged in the businesses of financial services and advertising and media services. The advertising and media business remained the main contributor to the Group's revenue while provision of financial services continued to generate regular revenue for the Group. During the Reporting Period, the Group recorded a consolidated revenue of approximately HK$15.5 million and net loss of approximately HK$9.6 million, as compared with the revenue of approximately HK$26.8 million and net loss of approximately HK$21.0 million for the corresponding period last year. Revenue from the advertising and media business, following the disposal of the Singapore operations in September 2025, amounted to approximately HK$12.9 million for the Reporting Period, representing a decrease of approximately 44% over the corresponding period last year (six months ended 30 June 2025: HK$22.8 million, inclusive of revenue from Singapore operations). The financial services business recorded revenue amounted to approximately HK$2.7 million for the Reporting Period, a decrease of approximately 33% over the corresponding period last year (six months ended 30 June 2025: HK$4.0 million).

It is observed that the business environment remains vulnerable to uncertainties in the ongoing geopolitical tensions, even though macroeconomic indicators have improved during the first half of 2026. Going forward, the Group will strive to explore potential business opportunities, while maintaining its current operations in various business segments by adapting business models suitable for its circumstances and evolving market conditions. Furthermore, the Group will look for new investment opportunities in different sectors with growth potential for business diversification and long-term corporate sustainability. The management will continue to review and monitor the latest development of the external environment and the business portfolio of the Group, and adjust its business strategies and strategic priorities from time to time if required.

Further details of the Group's business review and prospects are as follows:

Financial Services Business

The Group's financial services activities are mainly conducted under the brand name of "Cornerstone" and consisted of Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). Over the past years, the financial services business undertaken by Cornerstone Securities Limited ("CSL"), a 91.19% indirectly owned subsidiary of the Company, has been providing regular revenue for the Group. During the Reporting Period, the Group's financial services business recorded a revenue of approximately HK$2.7 million (six months ended 30 June 2025: approximately HK$4.0 million).

Business Model

Margin financing business forms an integral part of the securities brokerage business under the financial services segment. Contribution from margin financing business is significant for a securities company. CSL believed that it is important to explore opportunities to expand, among others, its margin financing business. Accordingly, the financial services segment with focus on the margin financing business has always been part of the Company's business development plan. Generally, the Group provides credit facilities to clients who wish to borrow funds to purchase securities or make applications for initial public offering ("IPO") on a margin basis. Margin clients are required to pledge deposits and/or liquid securities as collaterals to the Group in order to obtain margin facilities for securities trading. Margin financing business was the key income stream with its interest income contributed to approximately 98% of CSL's revenue for the Reporting Period (six months ended 30 June 2025: approximately 91%). Margin financing was funded by internal resources of the Group during the Reporting Period.

The Group strived to adopt a business model to acquire more market exposures and opportunities and provide competitive advantage to its clients, yet in a prudent approach by adhering to risk management policies in respect of credit approval, credit risk assessment and other monitoring and regulatory compliance such as anti-money laundering and counter-terrorist financing review.

Credit Policy

The Group has adopted a credit policy to manage its margin loan financing business which includes compliance with the applicable laws and regulations such as capital requirements and the Financial Resources Rules; credit assessment on margin loan clients in accordance with the "know your client" procedures including but not limited to verification and checking of background information disclosed by clients and conducting public search from independent sources; obtaining collateral before granting of margin loans; and assessing the value of the pledged securities/collateral for the provision of margin loans. When determining the fair value of the accounts receivable at the reporting date, the management of CSL evaluate the margin loan portfolios on a fair value basis by primarily considering the value of collateral, which comprised listed securities pledged by the borrowing margin clients, with reference to the quoted prices, to the extent of the outstanding loan amount. The margin loan receivables will be monitored on a case by case basis considering factors, including but not limited to, the repayment history and the financial condition of the margin clients concerned. Periodic reviews on the margin loan portfolios will also be conducted by CSL. In the event of failure to repay interest or outstanding loans by the due date, CSL will issue overdue payment reminders to the relevant borrower, instruct its legal advisers to issue demand letters for loans overdue for a longer period of time, negotiate with the client for the repayment or settlement of the loans and/or commences legal actions against the client.

Breakdown of loan portfolios

As at 30 June 2026, the Group granted approximately HK$64.2 million (31 December 2025: HK$63.5 million) to 6 margin clients (31 December 2025: 7 margin clients). The five highest borrowing margin clients accounted for approximately HK$62.4 million (31 December 2025: HK$62.0 million), representing approximately 97% of the total borrowing from margin clients as at 30 June 2026 (31 December 2025: 97%). All margin clients are required to pledge securities as collateral to the Group in order to obtain margin loans. Therefore, all margin loans granted by CSL are secured. During the Reporting Period, the interest rate charged on the margin loans was 8.25% per annum (31 December 2025: ranging from 8.25% to 8.5% per annum). The determination of the above interest rate was primarily based on the prime rate charged by commercial banks in Hong Kong plus a premium.

Despite the broader economic recovery and active headline figures (such as the strong average daily turnover and rising IPO fundraising on the Hong Kong Stock Exchange) in the first half of 2026, mid-to-small-sized local brokerages have often trailed behind major commercial banks and top-tier securities houses. CSL remains heavily exposed to margin financing within its business operations. Amid ongoing geopolitical tensions and macroeconomic uncertainties, fluctuations in collateral values during the Reporting Period constrained CSL's lending capacity. While stringent risk control is necessary, it may lead to a scaling back of certain brokerage activities, consequently affecting transaction volumes, trading commission revenues, and interest income. Amid these persistent global uncertainties, CSL's management will continue to equip themselves with updated market information with an aim of expanding its service scope and customer base. Furthermore, the Company will maintain more communication with existing clients and explore business opportunities with potential clients.

Advertising and Media Business

The Group is a well-established digital out-of-home ("OOH") media company in Hong Kong with an operating history since April 2004. It had pioneered the concept of creating a sizeable network of flat-panel displays in elevator lobbies of office and commercial complex as well as the residential buildings to sell advertisement. The number of venues in which the Group deployed its flat-panel displays in Hong Kong over the corresponding period of the previous year is shown as follows:

Region	Network	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Hong Kong	Office, Commercial and Residential Network	**1,165**	1,132

As of 30 June 2026, the Group has deployed its branded flat-panel displays at 1,165 office, commercial and residential buildings & venues in Hong Kong under its digital OOH media network.

In addition to the flat-panel displays, the Group's OOH large format media network in Hong Kong consists of six sites of large LED panels. Combined with its well-established office, commercial and residential networks, the Group offers a well-rounded platform for advertisers to reach their audience at home, at work and at shopping, leisure & entertainment venues.

The Group will continue to pursue the expansion of its digital OOH media networks, adding progressively one venue at a time as well as pursue new static/LED OOH sites under its OOH large format media network.

FINANCIAL REVIEW

	Six months ended 30 June		
	2026	2025	
	HK$	HK$	% Change
	(Unaudited)	(Unaudited)	
Revenue	**15,535,812**	26,799,546	-42%
Gross profit	**11,768,648**	15,083,173	-22%
EBITDA (Note)	**(9,423,440)**	(14,888,748)	N/A
Net loss	**(9,627,920)**	(21,004,747)	N/A

Note: EBITDA represents profit/(loss) before finance costs, income tax expense, depreciation of property, plant and equipment and right-of-use assets, fair value gain/(loss) on equity investments at fair value through profit or loss, and the profit/(loss) for the period attributable to non-controlling interests. While EBITDA is commonly used as an indicator of operating performance, leverage and liquidity, it is not presented as a measure of operating performance in accordance with Hong Kong Financial Reporting Standards and should not be considered as representing net cash flows from operating activities. The computation of the Group's EBITDA may not be comparable to similarly titled measures of other companies.

The Group's revenue for the six months ended 30 June 2026 was approximately HK$15.5 million (six months ended 30 June 2025: HK$26.8 million), representing a decrease of approximately 42% over the corresponding period of previous year. As the advertising and media business in Singapore no longer contributed any revenue following its disposal in September 2025, the Group's revenue from the advertising and media business declined by approximately 44% to HK$12.9 million (six months ended 30 June 2025: HK$22.8 million) as compared to the corresponding period of last year. As for the Group's financial services business, revenue generated during the six months ended 30 June 2026 was approximately HK$2.7 million (six months ended 30 June 2025: HK$4.0 million), representing a fall of approximately 33% over the corresponding period of previous year due to the drop of commission income and margin interest income by approximately 82% and 28% respectively.

The Group's gross profit for the six months ended 30 June 2026 was approximately HK$11.8 million (six months ended 30 June 2025: HK$15.1 million), representing a decrease of approximately 22% over the corresponding period of previous year. The Group's gross profit margin increased approximately from 56% to 76% due to a decrease in cost of services during the reporting period.

The Group's other gains and losses for the six months ended 30 June 2026 was gain of approximately HK$869,000 (six months ended 30 June 2025: HK$356,000) from a rise in fair value of the listed equity investments. The carrying amount of the equity investments at fair value through profit or loss is approximately HK$43.3 million as at 30 June 2026 (31 December 2025: HK$42.5 million).

The Group's administrative expenses for the six months ended 30 June 2026 was approximately HK$21.3 million (six months ended 30 June 2025: HK$36.3 million), representing a decrease of approximately 41% over the corresponding period of previous year. The decrease in administrative expenses was due to the drop of operating expenses during the Reporting Period.

The Group's negative EBITDA amounted to approximately HK$9.4 million for the six months ended 30 June 2026 as compared to the Group's negative EBITDA amounted to approximately HK$14.9 million for the corresponding period of previous year. The decrease in the Group's negative EBITDA is due to the disposal of the loss making subsidiaries in 2025 that the administrative expenses incurred less as compared to the corresponding period of last year.

Loss per share for the six months ended 30 June 2026 was approximately HK cents 4.38 as compared to a loss per share of HK cents 9.29 for the corresponding period of previous year.

The Group recorded a loss attributable to owners of the Company of approximately HK$10.0 million for the six months ended 30 June 2026 as compared to a loss attributable to owners of the Company of approximately HK$21.3 million for the corresponding period of previous year.

LIQUIDITY AND FINANCIAL RESOURCES

During the Reporting Period, the Group financed its daily operations from internally generated resources. As at 30 June 2026, the Group had net current assets of approximately HK$102 million (31 December 2025: HK$112 million) and cash and cash equivalents of approximately HK$42 million (31 December 2025: HK$53 million).

GEARING RATIO

The gearing ratio of the Group, calculated as total debt over total capital, was approximately 4.1% as at 30 June 2026 (31 December 2025: 4.2%).

FOREIGN EXCHANGE

For the six months ended 30 June 2026, the Group's business transactions, assets and liabilities are mainly denominated in Hong Kong dollars. As such, the Group did not have a significant exposure to foreign exchange risk, hence did not engage in any derivative activities or enter into any financial instruments to hedge foreign currency risk. The Group will review and monitor from time to time the risk relating to foreign exchanges.

CAPITAL STRUCTURE

The shares of the Company were listed on GEM of the Stock Exchange on 28 July 2011. The capital of the Company comprises ordinary shares and capital reserves. As at 30 June 2026, the authorised share capital of the Company was HK$500,000,000 divided into 50,000,000,000 ordinary shares of HK$0.01 each (the "Share(s)"), and the issued share capital was HK$2,294,184 divided into 229,418,448 Shares as fully paid.

DIVIDEND

The board of directors of the Company (the "Board") does not recommend the payment of any dividend for the six months ended 30 June 2026 (six month ended 30 June 2025: Nil).

INFORMATION ON EMPLOYEES

As at 30 June 2026, the Group had 38 employees (31 December 2025: 39 employees), including the executive directors. Total staff costs of the Group (including directors' emoluments) for the six months ended 30 June 2026 were approximately HK$11 million (six months ended 30 June 2025: HK$16 million). Remuneration is determined with reference to market norms and individual employee's performance, qualification and experience.

On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as individual's performance. Other staff benefits included contributions to mandatory employment-based pension schemes, e.g. Mandatory Provident Fund scheme in Hong Kong.

SIGNIFICANT INVESTMENTS HELD

Except for investment in subsidiaries and an associate, and as disclosed in Note 13 to the Unaudited Condensed Consolidated Interim Financial Information, the Group did not hold any significant investment in any company as at 30 June 2026 (31 December 2025: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND FUTURE PLANS FOR MATERIAL INVESTMENTS

Save as disclosed herein, the Group did not make any material acquisition or disposal of subsidiaries, associates and joint ventures, nor had other plans for material investments and capital assets during the Reporting Period.

CHARGES OF ASSETS

As at 30 June 2026, the Group did not have any charges on its assets (31 December 2025: Nil).

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Note	Three months ended 30 June 2026 HK$ (Unaudited)	Three months ended 30 June 2025 HK$ (Unaudited)	Six months ended 30 June 2026 HK$ (Unaudited)	Six months ended 30 June 2025 HK$ (Unaudited)
Revenue	3	**7,707,828**	12,418,165	**15,535,812**	26,799,546
Cost of services		**(2,019,540)**	(5,981,026)	**(3,767,164)**	(11,716,373)
Gross profit		**5,688,288**	6,437,139	**11,768,648**	15,083,173
Other income		**17,320**	212,534	**33,748**	1,592,852
Other gains and losses		**102,712**	(11,861,809)	**868,725**	356,400
Impairment losses recognised		**–**	(440)	**–**	(865)
Administrative expenses		**(10,256,099)**	(18,344,553)	**(21,278,388)**	(36,273,241)
Finance costs	4	**(161,161)**	(953,629)	**(333,942)**	(1,032,913)
Loss before tax	5	**(4,608,940)**	(24,510,758)	**(8,941,209)**	(20,274,594)
Income tax expenses	6	**(476,710)**	(485,226)	**(686,711)**	(730,153)
Loss for the period		**(5,085,650)**	(24,995,984)	**(9,627,920)**	(21,004,747)
Other comprehensive income/(expense) for the period:					
Item that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of foreign operations		**14,187**	(383,881)	**28,506**	(446,857)
Other comprehensive income/(expense) for the period, net of tax		**14,187**	(383,881)	**28,506**	(446,857)
Total comprehensive expenses for the period		**(5,071,463)**	(25,379,865)	**(9,599,414)**	(21,451,604)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Note	Three months ended 30 June		Six months ended 30 June	
		2026	2025	**2026**	2025
		HK$	HK$	**HK$**	HK$
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
(Loss)/Profit for the period attributable to:					
Owners of the Company		**(5,301,026)**	(25,144,542)	**(10,045,542)**	(21,323,130)
Non-controlling interests		**215,376**	148,558	**417,622**	318,383
		(5,085,650)	(24,995,984)	**(9,627,920)**	(21,004,747)
Total comprehensive (expenses)/income for the period attributable to:					
Owners of the Company		**(5,286,647)**	(25,375,902)	**(10,016,626)**	(21,585,049)
Non-controlling interests		**215,184**	(3,963)	**417,212**	133,445
		(5,071,463)	(25,379,865)	**(9,599,414)**	(21,451,604)
LOSS PER SHARE					
Basic and diluted (HK cents)	8	**(2.31)**	(10.96)	**(4.38)**	(9.29)

The above unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	30 June 2026 HK$ (Unaudited)	31 December 2025 HK$ (Audited)
Non-current assets			
Property, plant and equipment	9	**75,920**	88,954
Right-of-use assets	10	**1,346,106**	286,205
Deposits, Prepayments and other receivables	11	**705,000**	1,184,515
		2,127,026	1,559,674
Current assets			
Margin loan receivables	12	**40,227,476**	39,600,558
Trade and other receivables	11	**9,112,423**	12,036,212
Equity investments at fair value through profit or loss	13	**43,319,513**	42,450,788
Cash held on behalf of brokerage clients		**9,185,770**	25,546,556
Cash and cash equivalents		**41,638,356**	52,896,664
		143,483,538	172,530,778
Current liabilities			
Trade and other payables	14	**25,823,225**	25,468,793
Accounts payable to brokerage clients		**8,376,104**	25,546,556
Lease liabilities	10	**5,554,942**	7,520,092
Contract liabilities		**1,076,836**	1,104,002
Income tax payable		**1,133,122**	446,411
		41,964,229	60,085,854
Net current assets		**101,519,309**	112,444,924
Total assets less current liabilities		**103,646,335**	114,004,598

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2026

	Note	30 June 2026 HK$ (Unaudited)	31 December 2025 HK$ (Audited)
Non-current liabilities			
Lease liabilities	10	**468,448**	1,227,297
		468,448	1,227,297
NET ASSETS		**103,177,887**	112,777,301
Capital and reserves			
Share capital	15	**2,294,184**	2,294,184
Reserves		**81,215,931**	91,232,557
Shareholders' equity		**83,510,115**	93,526,741
Non-controlling interests		**19,667,772**	19,250,560
TOTAL EQUITY		**103,177,887**	112,777,301

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Attributable to owners of the Company							
	Share capital HK$	Share premium HK$	Capital reserve HK$	Exchange reserve HK$	Accumulated losses HK$	Sub-total HK$	Non-controlling interests HK$	Total equity HK$
At 31 December 2024 and 1 January 2025 (audited)	2,294,184	612,827,938	(176,467,450)	(1,317,106)	(324,930,080)	112,407,486	15,873,207	128,280,693
(Loss)/Profit for the period	–	–	–	–	(21,323,130)	(21,323,130)	318,383	(21,004,747)
Other comprehensive (expense)/income for the period								
Exchange difference arising on translating of foreign operations	–	–	–	(261,919)	–	(261,919)	(184,938)	(446,857)
Total comprehensive (expenses)/income for the period	–	–	–	(261,919)	(21,323,130)	(21,585,049)	133,445	(21,451,604)
At 30 June 2025 (unaudited)	2,294,184	612,827,938	(176,467,450)	(1,579,025)	(346,253,210)	90,822,437	16,006,652	106,829,089
At 31 December 2025 and 1 January 2026 (audited)	**2,294,184**	**612,827,938**	**(176,467,450)**	**(1,538,096)**	**(343,589,835)**	**93,526,741**	**19,250,560**	**112,777,301**
(Loss)/Profit for the period	**–**	**–**	**–**	**–**	**(10,045,542)**	**(10,045,542)**	**417,622**	**(9,627,920)**
Other comprehensive (expense)/income for the period								
Exchange difference arising on translating of foreign operations	**–**	**–**	**–**	**28,916**	**–**	**28,916**	**(410)**	**28,506**
Total comprehensive (expenses)/income for the period	**–**	**–**	**–**	**28,916**	**(10,045,542)**	**(10,016,626)**	**417,212**	**(9,599,414)**
At 30 June 2026 (unaudited)	**2,294,184**	**612,827,938**	**(176,467,450)**	**(1,509,180)**	**(353,635,377)**	**83,510,115**	**19,667,772**	**103,177,887**

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Six months ended 30 June	
	2026	2025
	HK$	HK$
	(unaudited)	(unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash (used in)/generated from operating activities	**(6,714,220)**	2,780,435
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**–**	(97,496)
Interest received	**213**	353,268
Net cash generated from investing activities	**213**	255,772
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	**(4,572,807)**	(5,782,824)
Net cash used in financing activities	**(4,572,807)**	(5,782,824)
Net decrease in cash and cash equivalents	**(11,286,814)**	(2,746,617)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**52,896,664**	51,553,020
Effect of foreign exchange rate changes	**28,506**	(446,857)
CASH AND CASH EQUIVALENTS AT 30 JUNE	**41,638,356**	48,359,546
ANALYSIS OF CASH AND CASH EQUIVALENTS,		
represented by:		
Cash and cash equivalents as stated in the statement of cash flows	**41,638,356**	48,359,546

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. GENERAL INFORMATION

Cornerstone Financial Holdings Limited was incorporated in the Cayman Islands with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is Room 802, 8th Floor, Lee Garden Five, 18 Hysan Avenue, Causeway Bay, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are (i) provision of financial services including securities dealings and brokerage services and margin financing services, (ii) provision of advertising and media services including film development, production and distribution and (iii) retail of skin care products (ceased business in 2019 and remains inactive subsequently).

The unaudited condensed consolidated interim financial information has been reviewed by the audit committee of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with the Hong Kong Accounting Standards ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Rules Governing the Listing of Securities on GEM on the Stock Exchange (the "GEM Listing Rules") and the Hong Kong Companies Ordinance.

The unaudited condensed consolidated interim financial information should be read in conjunction with the annual report of the Group for the year ended 31 December 2025.

The unaudited condensed consolidated interim financial information is presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated interim financial information for the six months ended 30 June 2026 are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2025, except for the adoption of the standards, amendments and interpretation issued by the HKICPA mandatory for the annual periods beginning 1 January 2026.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

New and amendments to HKFRSs that are mandatorily effective for the current year

The adoption of the following amendments to HKFRSs issued by the HKICPA to this interim financial report for the current accounting period do not have material impact on the results and the financial position of the Group.

Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity

New and amendments to HKFRSs issued but not yet effective

The Group has not early applied any new and amended HKFRSs and interpretations that have been issued but are not yet effective for the current accounting period.

3. REVENUE AND SEGMENT INFORMATION

An analysis of revenue for the six months ended 30 June 2026 and 2025 is as follows:

	Six months ended 30 June	
	2026	2025
	HK$	HK$
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**12,931,718**	23,195,041
Revenue from other sources	**2,604,094**	3,604,505
	15,535,812	26,799,546

3. REVENUE AND SEGMENT INFORMATION (Continued)

Disaggregated of revenue from contracts with customers by major goods or service lines, geographical location of customers and the timing of revenue recognition for the six months ended 30 June 2026 and 2025 is as follows:

For the six months ended 30 June	Advertising and media services		Financial services		Total	
	2026 HK$ (Unaudited)	2025 HK$ (Unaudited)	**2026 HK$ (Unaudited)**	2025 HK$ (Unaudited)	**2026 HK$ (Unaudited)**	2025 HK$ (Unaudited)
Type of goods or services						
Advertising and media services:						
– Direct sales channel	**5,441,100**	6,981,455	**–**	–	**5,441,100**	6,981,455
– Agency sales channel	**7,425,600**	15,852,757	**–**	–	**7,425,600**	15,852,757
Financial services						
Commission and fee income on securities dealing and broking	**–**	–	**65,018**	360,829	**65,018**	360,829
Total revenue from contracts with customers	**12,866,700**	22,834,212	**65,018**	360,829	**12,931,718**	23,195,041
Revenue from other sources						
Interest income from margin financing	**–**	–	**2,604,094**	3,604,505	**2,604,094**	3,604,505
Total group revenue	**12,866,700**	22,834,212	**2,669,112**	3,965,334	**15,535,812**	26,799,546
Geographical markets						
Hong Kong	**12,866,700**	11,404,649	**65,018**	360,829	**12,931,718**	11,765,478
Singapore	**–**	11,429,563	**–**	–	**–**	11,429,563
Total revenue from contracts with customers	**12,866,700**	22,834,212	**65,018**	360,829	**12,931,718**	23,195,041
Timing of revenue recognition						
At a point of time	**–**	–	**65,018**	360,829	**65,018**	360,829
Over time	**12,866,700**	22,834,212	**–**	–	**12,866,700**	22,834,212
Total revenue from contracts with customers	**12,866,700**	22,834,212	**65,018**	360,829	**12,931,718**	23,195,041

3. REVENUE AND SEGMENT INFORMATION (Continued)

The chief operating decision-maker ("CODM") has been identified collectively as the executive directors of the Company. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

Management regularly reviews the operating results from a perspective of different activities and assesses the performance of each operating segment. During the period ended 30 June 2026 and 2025, the Group had the following operating segments:

- Advertising and media services
- Financial services, mainly including securities dealings and brokerage business and margin financing business
- Retail of skin care products (ceased business in 2019 and remains inactive subsequently)

The segment results are measured at Group's loss before tax except that other income, other gains and losses, as well as head office and corporate expenses.

Segment assets exclude other unallocated head office and corporate assets as these assets are managed on a group basis. Segment liabilities exclude other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

3. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2026 and as at 30 June 2026 is as follows:

	Advertising and media services HK$ (Unaudited)	Financial services HK$ (Unaudited)	Retail of skin care products HK$ (Unaudited)	unallocated HK$ (Unaudited)	Total HK$ (Unaudited)
For the six months ended 30 June 2026					
Segment revenue	12,866,700	2,669,112	–	–	15,535,812
Segment results	368,544	(2,196,895)	(13,368)	–	(1,841,719)
Corporate and unallocated income					902,473
Corporate and unallocated expenses					(8,001,963)
Loss before tax					(8,941,209)
Other segment information:					
Depreciation of property, plant and equipment	–	(13,034)	–	–	(13,034)
Depreciation of right-of-use assets	(316,050)	(43,835)	–	(97,255)	(457,140)
Fair value gain on equity investments at fair value through profit or loss	–	–	–	868,725	868,725
Capital expenditure	–	–	–	–	–
As at 30 June 2026					
Segment assets	11,517,784	91,885,394	15,637	–	103,418,815
Corporate and other unallocated assets					42,191,749
Total consolidated assets					145,610,564
Segment liabilities	(29,857,375)	(10,405,838)	(114)	–	(40,263,327)
Corporate and other unallocated liabilities					(2,169,350)
Total consolidated liabilities					(42,432,677)

3. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2025 and as at 31 December 2025 is as follows:

	Advertising and media services HK$ (Unaudited)	Financial services HK$ (Unaudited)	Retail of skin care products HK$ (Unaudited)	unallocated HK$ (Unaudited)	Total HK$ (Unaudited)
For the six months ended 30 June 2025					
Segment revenue	22,834,212	3,965,334	–	–	26,799,546
Segment results	(4,588,833)	(1,265,343)	(5,032)	–	(5,859,208)
Corporate and unallocated income					1,949,252
Corporate and unallocated expenses					(16,364,638)
Loss before tax					(20,274,594)
Other segment information:					
Depreciation of property, plant and equipment	(104,438)	(7,383)	–	–	(111,821)
Depreciation of right-of-use assets	(4,784,302)	(131,593)	–	–	(4,915,895)
Fair value gain on equity investments at fair value throught profit or loss	–	–	–	356,400	356,400
Capital expenditure	(5,188)	(92,308)	–	–	(97,496)
As at 31 December 2025	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Segment assets	13,206,277	117,055,036	19,272	–	130,280,585
Corporate and other unallocated assets					43,809,867
Total consolidated assets					174,090,452
Segment liabilities	(31,965,856)	(26,861,889)	(114)	–	(58,827,859)
Corporate and other unallocated liabilities					(2,485,292)
Total consolidated liabilities					(61,313,151)

3. REVENUE AND SEGMENT INFORMATION (Continued)

A reconciliation of segment results to loss before tax is provided as follows:

	Six months ended 30 June	
	2026	2025
	HK$	HK$
	(Unaudited)	(Unaudited)
Segment results	**(1,841,719)**	(5,859,208)
Other income	**33,748**	1,592,852
Other gains and losses	**868,725**	356,400
Unallocated head office and corporate expenses	**(8,001,963)**	(16,364,638)
Loss before tax	**(8,941,209)**	(20,274,594)

Geographical Information

(a) Revenue from external customers by geographical location of customers

	Six months ended 30 June					
	2026			2025		
	Segment revenue	**Inter-segment sales**	**Revenue from external customers**	Segment revenue	Inter-segment sales	Revenue from external customers
	HK$	**HK$**	**HK$**	HK$	HK$	HK$
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	(Unaudited)	(Unaudited)	(Unaudited)
Hong Kong	**15,535,812**	**–**	**15,535,812**	15,369,983	–	15,369,983
Singapore	**–**	**–**	**–**	18,527,696	(7,098,133)	11,429,563
	15,535,812	**–**	**15,535,812**	33,897,679	(7,098,133)	26,799,546

(b) Non-current assets by location of assets

	30 June 2026	31 December 2025
	HK$	HK$
	(Unaudited)	(Audited)
Hong Kong	**1,422,026**	375,159
Singapore	**–**	–
	1,422,026	375,159

4. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK$	HK$
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**324,024**	1,032,913
Interest expense on director's loan	**9,918**	–
	333,942	1,032,913

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	HK$	HK$
	(Unaudited)	(Unaudited)
Cost of services (Note)	**3,767,164**	11,716,373
Deprecation of right-of-use assets (Note)	**457,140**	1,568,397
Depreciation of property, plant and equipment	**13,034**	111,821
Employee benefit expenses (excluding directors' remuneration):		
– Salaries, wages and allowance	**8,691,038**	12,867,823
– Pension scheme contribution	**358,965**	800,620
Legal and professional fee	**5,284,094**	6,336,236
Marketing expenses	**156,433**	300,419
Government Grants	**–**	(80,579)
Bank interest income	**(250)**	(357,136)
Fair value gain on equity investments at fair value through profit or loss	**(868,725)**	(356,400)

Note: During the period ended 30 June 2026, depreciation of right-of-use assets in total of HK$457,140 is recognised in administrative expenses (six months ended 30 June 2025: HK$4,915,895, out of which, HK$3,347,498 and HK$1,568,397 are included in cost of services and administrative expenses respectively).

6. INCOME TAX EXPENSES

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective rate of 16.5% (2025: 16.5%) to the six months ended 30 June 2026, except for one subsidiary of the Group which is qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

	Six months ended 30 June	
	2026	2025
	HK$	HK$
	(Unaudited)	(Unaudited)
Hong Kong Profits Tax:		
– Current tax	**762,888**	730,153
– Over-provision in prior years	**(76,177)**	–
Income tax expenses	**686,711**	730,153

7. DIVIDENDS

The Board does not recommend the payment of any dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

8. LOSS PER SHARE

(a) Basic

The calculation of basic losses per share is based on the loss attributable to owners of the Company of HK$10,045,542 (six months ended 30 June 2025: loss of HK$21,323,130) and the weighted average of 229,418,448 ordinary shares in issue during both interim periods.

(b) Diluted

No diluted loss per share has been presented as there was no dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

9. PROPERTY, PLANT AND EQUIPMENT

	Property, plant and equipment HK$ (Audited)
As at 31 December 2025	
At 1 January 2025	
Cost	14,892,259
Accumulated depreciation and impairment losses	(14,563,639)
Net carrying amount	328,620
At 1 January 2025, net carrying amount	328,620
Additions	97,496
Disposal of subsidiaries	(49,997)
Impairment loss recognised	(101,043)
Depreciation	(189,210)
Exchange realignment	3,088
At 31 December 2025, net carrying amount	88,954
At 31 December 2025	
Cost	10,437,181
Accumulated depreciation and impairment losses	(10,348,227)
Net carrying amount	88,954
As at 30 June 2026	**(Unaudited)**
At 1 January 2026	
Cost	**10,437,181**
Accumulated depreciation and impairment losses	**(10,348,227)**
Net carrying amount	**88,954**
At 1 January 2026, net carrying amount	**88,954**
Additions	**–**
Impairment loss recognised	**–**
Depreciation	**(13,034)**
Exchange realignment	**–**
At 30 June 2026, net carrying amount	**75,920**
At 30 June 2026	
Cost	**10,363,555**
Accumulated depreciation and impairment losses	**(10,287,635)**
Net carrying amount	**75,920**

10. LEASES

(a) Right-of-use Assets

	Land and Buildings HK$ (Audited)	Outdoor billboard space HK$ (Audited)	Total HK$ (Audited)
As at 31 December 2025			
At 1 January 2025			
Cost	15,126,380	5,835,955	20,962,335
Accumulated depreciation and impairment losses	(12,672,102)	(5,549,884)	(18,221,986)
Net carrying amount	2,454,278	286,071	2,740,349
At 1 January 2025, net carrying amount	2,454,278	286,071	2,740,349
Additions	1,805,916	29,481,128	31,287,044
Disposal of subsidiaries	(566,368)	(14,857,739)	(15,424,107)
Impairment loss recognised	(547,102)	(7,786,259)	(8,333,361)
Depreciation	(2,916,287)	(7,777,634)	(10,693,921)
Exchange realignment	55,768	654,433	710,201
At 31 December 2025, net carrying amount	286,205	–	286,205
At 31 December 2025			
Cost	3,397,401	13,347,873	16,745,274
Accumulated depreciation and impairment losses	(3,111,196)	(13,347,873)	(16,459,069)
Net carrying amount	286,205	–	286,205

10. LEASES (Continued)

(a) Right-of-use Assets (Continued)

	Land and Buildings HK$ (Unaudited)	Outdoor billboard space HK$ (Unaudited)	Total HK$ (Unaudited)
As at 30 June 2026			
At 1 January 2026			
Cost	**3,397,401**	**13,347,873**	**16,745,274**
Accumulated depreciation and impairment losses	**(3,111,196)**	**(13,347,873)**	**(16,459,069)**
Net carrying amount	**286,205**	**–**	**286,205**
At 1 January 2026, net carrying amount	**286,205**	**–**	**286,205**
Additions	**1,517,042**	**–**	**1,517,042**
Impairment loss recognised	**–**	**–**	**–**
Depreciation	**(457,140)**	**–**	**(457,140)**
Exchange realignment	**(1)**	**–**	**(1)**
At 30 June 2026, net carrying amount	**1,346,106**	**–**	**1,346,106**
At 30 June 2026			
Cost	**3,431,519**	**13,347,873**	**16,779,392**
Accumulated depreciation and impairment losses	**(2,085,413)**	**(13,347,873)**	**(15,433,286)**
Net carrying amount	**1,346,106**	**–**	**1,346,106**

The Group has lease contracts for land and buildings and outdoor billboard space entered in the ordinary and usual course of business for its operations. During the six months ended 30 June 2026, a renewal lease for land and buildings amounting to HK$1,517,042 was recognised as additions to right-of-use assets (31 December 2025: HK$31,287,044).

10. LEASES (Continued)

(b) Lease Liabilities

	30 June 2026 (Unaudited) HK$	31 December 2025 (Audited) HK$
Lease liabilities	**6,023,390**	8,747,389
Amount analysed as:		
Current	**5,554,942**	7,520,092
Non-current	**468,448**	1,227,297
	6,023,390	8,747,389
Lease liabilities payable on:		
Within one year	**5,554,942**	7,520,092
Within a period of more than one year but not more than two years	**468,448**	1,227,297

11. TRADE AND OTHER RECEIVABLES

	30 June 2026 (Unaudited) HK$	31 December 2025 (Audited) HK$
Trade receivables	**7,605,173**	8,998,630
Less: Allowance for credit losses	**(425,160)**	(425,160)
Trade receivables — net	**7,180,013**	8,573,470
Deposits, prepayments and other receivables	**2,637,410**	4,647,257
Total	**9,817,423**	13,220,727
Analyses as:		
Current	**9,112,423**	12,036,212
Non-current	**705,000**	1,184,515
	9,817,423	13,220,727

The carrying amount of trade and other receivables approximate their fair values.

As of the end of the reporting period, the ageing analysis of trade receivables based on invoice date and net of allowance for credit loss is as follows:

	30 June 2026 (Unaudited) HK$	31 December 2025 (Audited) HK$
Within 30 days	**4,460,821**	6,251,429
31 – 60 days	**1,509,767**	793,424
Over 60 days	**1,209,425**	1,528,617
	7,180,013	8,573,470

11. TRADE AND OTHER RECEIVABLES (Continued)

The movement in the allowance for credit loss of trade receivables is as follows:

	30 June 2026 (Unaudited) HK$	31 December 2025 (Audited) HK$
At beginning of period/year	**425,160**	739,606
Reversal of impairment loss of trade receivables, net	**–**	(328,851)
Exchange realignment	**–**	14,405
At end of period/year	**425,160**	425,160

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral or other credit enhancements over these balances. Trade receivables are non-interest bearing.

12. MARGIN LOAN RECEIVABLES

	30 June 2026 (Unaudited) HK$	31 December 2025 (Audited) HK$
Margin loan receivables	**64,150,620**	63,523,702
Less: Allowance for credit losses	**(23,923,144)**	(23,923,144)
	40,227,476	39,600,558

Margin loans to third parties are denominated in Hong Kong dollars, bearing interest at commercial rates, secured by the underlying pledged securities and are repayable on demand.

The credit facility limits to margin clients are determined by the discounted market value of the collateral securities accepted by the Group, where the Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio. Any excess in the lending ratio will trigger a margin call with the margin clients having to make good the shortfall. In granting credit facility, other factors such as financial strength, creditworthiness and the past collection statistics are also considered. The Group's credit review department are responsible to monitor credit risk and seek to maintain a strict control over the outstanding loan balance.

12. MARGIN LOAN RECEIVABLES (Continued)

The Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio. As at 30 June 2026, advances to customers in margin financing of HK$64,150,620 (31 December 2025: HK$63,523,702) were secured by securities pledged by the customers to the Group as collateral with undiscounted market value of HK$8,046,077 (31 December 2025: HK$47,843,712).

No ageing analysis is disclosed as, in the opinion of the directors of the Company, an ageing analysis is not meaningful in view of the nature of the business of securities margin financing.

13 EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026 HK$ (Unaudited)	31 December 2025 HK$ (Audited)
Financial assets mandatorily measured at fair value through profit or loss		
Equity Securities Investment		
– Listed on the London Stock Exchange (Note)	**43,319,513**	42,450,788

Note:

In prior years, the Group subscribed 16,500,000 ordinary shares of a public company incorporated in England and Wales which is principally engaging in technology innovations investments, at a total consideration of GBP660,000 (equivalent to approximately HK$5,896,000). On 31 October 2022, the ordinary shares of the investee were listed on the Main Market of the London Stock Exchange.

As at 30 June 2026 and 31 December 2025, the fair value of the Group's equity securities listed on the London Stock Exchange is based on the quoted bid price on the London Stock Exchange.

14. TRADE AND OTHER PAYABLES

	30 June 2026 HK$ (Unaudited)	31 December 2025 HK$ (Audited)
Trade payables	**305,550**	183,320
Accruals	**19,769,222**	20,237,244
Licence fee payable	**37,746**	37,746
Other payables	**2,824,864**	2,387,415
Deferred revenue	**252,857**	–
Advances from directors of the Company	**2,632,986**	2,623,068
	25,823,225	25,468,793

The carrying amount of trade and other payables approximate their fair values.

Trade payables are non-interest bearing and normally settled from 60 to 90 days.

As of the end of the reporting period, the ageing analysis of trade payables based on invoice date is as follows:

	30 June 2026 HK$ (Unaudited)	31 December 2025 HK$ (Audited)
Within 30 days	**1,800**	103,080
31 to 60 days	**–**	–
Over 60 days	**303,750**	80,240
	305,550	183,320

15 SHARE CAPITAL

The movement in authorised and issued share capital of the Company during the reporting period is as follows:

	30 June 2026 HK$ (Unaudited)	31 December 2025 HK$ (Audited)
Authorised:		
50,000,000,000 ordinary shares of HK$0.01 each	**500,000,000**	500,000,000
Issued and fully paid:		
229,418,448 ordinary shares of HK$0.01 each	**2,294,184**	2,294,184

There were no movements of the Company's share capital for the six months ended 30 June 2026 and for the year ended 31 December 2025.

16. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed the fair values of the Group's financial assets and financial liabilities are approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of listed equity investments is based on the bid-price quoted in an active market.

16. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) HK$	**Significant observable inputs (Level 2)** HK$	**Significant unobservable inputs (Level 3)** HK$	**Total** HK$
As at 30 June 2026 (Unaudited)				
Equity investments at fair value through profit or loss	**43,319,513**	**–**	**–**	**43,319,513**
As at 31 December 2025 (Audited)				
Equity investments at fair value through profit or loss	42,450,788	–	–	42,450,788

The Group did not have any significant financial liabilities measured at fair value as at 30 June 2026 (31 December 2025: Nil).

17. CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

18. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the unaudited condensed consolidated interim financial information, the Group has the following material transactions with related parties during the period ended 30 June 2026:

(a) The Group has an outstanding principal amount of HK$1,616,000 as at 30 June 2026 (31 December 2025: HK$1,616,000) due to Mr. An Xilei, a director of the Company. The loan is unsecured, interest-free and repayable within one year.

(b) The Group has an outstanding principal amount of HK$1,000,000 as at 30 June 2026 (31 December 2025: HK$1,000,000) due to Mr. Wong Hong Gay Patrick Jonathan, a director of the Company and its certain subsidiaries. The loan is unsecured, bearing a fixed interest rate of 2% per annum and repayable within one year. The loan interest payable is HK$16,986 as at 30 June 2026 (31 December 2025: HK$7,068).

(c) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2026 **(Unaudited)**	2025 (Unaudited)
Salaries, wages and allowance	**1,717,500**	1,980,000
Pension scheme contribution	**12,000**	18,000
	1,729,500	1,998,000

19. EVENTS AFTER THE REPORTING PERIOD

There are no material subsequent events undertaken by the Group after 30 June 2026 and up to the date of this report.

20. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information was approved by the Board on 28 August 2026.

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, the interests of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO") as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Long positions in the ordinary shares of HK$0.01 each in the Company (the "Shares"), underlying Shares and debentures of the Company

Name of Directors	Nature of interests	Number of Shares held	Number of underlying Shares held	Total	Approximate % of shareholding in the Company (Note)
An Xilei	Beneficial owner	6,800,000	–	6,800,000	2.96%

Note: For the purpose of this section, the shareholding percentage in the Company is calculated on the basis of 229,418,448 Shares in issue as at 30 June 2026.

Save as disclosed above, as at 30 June 2026 and up to the date of this report, none of the Directors nor the chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules.

SHARE OPTION SCHEME

Since the expiration of the then share option schemes of the Company in March 2021, the Company has not adopted any new share option scheme. Further, all outstanding and unexercised options granted under the expired share option schemes lapsed and were cancelled in 2021 in accordance with the terms and conditions of the respective schemes. Accordingly, the Company had neither any share option scheme nor any outstanding share options as at 30 June 2026 and up to date of this report.

At no time during the Reporting Period was any of the Company and its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercise any such rights.

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

Save as disclosed below, as at 30 June 2026 and up to the date of this report, according to the register of interests kept by the Company under Section 336 of the SFO and so far as was known to the Directors, no other persons or companies (other than a Director or a chief executive of the Company) had interests of 5% or more in the shares or underlying shares and/or short positions in the shares or underlying shares of the Company which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

Long Positions in the Shares

Name of Shareholders	Nature of interests	Number of Shares held	Approximate % of shareholding in the Company (Note 2)
Masan Multi Strategy Fund SPC – Masan HK Equity Fund SP (Note 1)	Beneficial owner	52,896,000	23.06%
Masan Capital Limited (Note 1)	Investment Manager	52,896,000	23.06%
Top Lion International Limited (Note 1)	Interest of controlled corporation	52,896,000	23.06%

Notes:

1. These Shares are directly held by Masan Multi Strategy Fund SPC – Masan HK Equity Fund SP which is wholly owned by Masan Capital Limited which is in turn wholly owned by Top Lion International Limited.

2. For the purpose of this section, the shareholding percentage in the Company is calculated on the basis of 229,418,448 Shares in issue as at 30 June 2026.

Save as disclosed above, no other interests required to be recorded in the register kept under Section 336 of the SFO have been notified to the Company.

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

During the six months ended 30 June 2026, the Company did not redeem any of its listed securities, and neither did the Company nor any of its subsidiaries purchase or sell any of the Company's listed securities.

COMPETITION AND CONFLICT OF INTERESTS

During the six months ended 30 June 2026, none of the Directors or the substantial shareholders (if applicable) of the Company or any of their respective close associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors, having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules during the six months ended 30 June 2026.

CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 June 2026, the Company has complied with the code provisions (the "Code Provision(s)") of the Corporate Governance Code (the "CG Code") as set out in Part 2 of Appendix C1 to the GEM Listing Rules, except as stated otherwise below.

Pursuant to Code Provision D.1.2 of the CG Code, the management should provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's financial and operating performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties under Rule 5.01 and Chapter 17 of the GEM Listing Rules. During the Reporting Period, instead of monthly updates, the management has provided to the Board quarterly updates containing consolidated financial statements with summaries of key events and outlook of the Group for the pertaining period for review and discussion in the regular Board meetings concerned. In addition, the management will provide to the Board with updates in a timely manner if there are material events affecting the performance, position and prospects of the Company. Accordingly, it is considered that the purpose of providing regular updates on the Company's performance, position and prospects can be achieved.

Pursuant to Code Provision D.2.2 of the CG Code, the Group should have an internal audit function. While the Group currently does not have an internal audit function, it will review the need for one on an annual basis. In accordance with current practices, the Group has engaged an independent external consulting firm to review the effectiveness of its risk management and internal control systems annually. Taking into account the size, nature, and complexity of its business operations, the Group considers that the current organisation structure and management could provide adequate risk management and internal control of the Group.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the requirements of the GEM Listing Rules from time to time. The Audit Committee was delegated the authority and responsibility to review the Company's risk management and internal control systems and to make recommendations to the Board in such regard, in addition to its primary duties to make recommendations to the Board on the appointment and removal of external auditors; to review the financial statements and to provide material advice in respect of financial reporting. The Audit Committee currently comprises all three independent non-executive Directors.

The unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2026 have been reviewed by the Audit Committee together with the management of the Company, which is of the opinion that the interim financial information comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

By order of the Board
Cornerstone Financial Holdings Limited
Liu Shihao
Chairman and Executive Director

Hong Kong, 28 August 2026

As at the date of this report, the Board comprises Mr. Liu Shihao (Chairman), Mr. An Xilei, Mr. Wong Hong Gay Patrick Jonathan, Mr. Mock Wai Yin and Mr. An Xishuai as executive Directors; and Mr. Chan Chi Keung Alan, Ms. Lau Mei Ying and Mr. Wong Man Hong as independent non-executive Directors.

基 石 金 融 控 股 有 限 公 司
CORNERSTONE FINANCIAL HOLDINGS LIMITED