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DA YU FINANCIAL HOLDINGS LIMITED

大禹金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1073)

2025 INTERIM RESULTS ANNOUNCEMENT

INTERIM RESULTS

The Board of Directors (the “Board”) of Da Yu Financial Holdings Limited (the “Company”) announces the interim condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025 as below:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Unaudited	
		Six months ended 30 June	
		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Services revenue	3	22,417	24,057
Interest revenue	3	872	775
Total revenue		23,289	24,832
Other net income		–	1
Other net financial gain		10,744	18,235
Employee benefit expense		(9,091)	(8,293)
Administrative and other expenses		(9,029)	(7,867)
Finance costs		(104)	(67)
Reversal of impairment losses on financial assets		179	100
Profit before income tax	5	15,988	26,941
Income tax expense	6	(1,224)	(1,128)
Profit for the period attributable to the owners of the Company		14,764	25,813

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Cont'd)

For the six months ended 30 June 2025

		Unaudited	
		Six months ended 30 June	
		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign subsidiaries		<u>1,663</u>	<u>–</u>
Other comprehensive income for the period		<u>1,663</u>	<u>–</u>
Total comprehensive income for the period attributable to the owners of the Company		<u><u>16,427</u></u>	<u><u>25,813</u></u>
Earnings per share attributable to the owners of the Company (HK cents)			
	7		
– Basic		<u><u>0.65</u></u>	<u><u>1.24</u></u>
– Diluted		<u><u>0.65</u></u>	<u><u>1.24</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
	Notes		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		133	156
Goodwill	9	108,788	108,788
Intangible assets	10	57,359	59,085
Right-of-use assets		4,609	352
Mortgage loans	11	5,923	6,691
Financial assets at fair value through profit or loss ("FVPL")		82,669	85,087
Other assets		200	200
		<u>259,681</u>	<u>260,359</u>
Current assets			
Mortgage loans	11	1,536	1,564
Term loans	12	9,024	8,657
Contract assets		53	53
Trade and other receivables, deposits paid and prepayments	13	7,245	3,452
Amount due from a related company		4,680	5,612
Financial assets at FVPL		136,083	148,165
Client trust bank balances	14	406,127	230,741
Cash and cash equivalents		114,034	98,550
		<u>678,782</u>	<u>496,794</u>
Current liabilities			
Contract liabilities		4,314	3,243
Trade and other payables and accrued expenses	15	410,661	242,248
Bank overdraft		–	76
Lease liabilities		2,835	367
Taxation payable		2,045	537
		<u>419,855</u>	<u>246,471</u>
Net current assets		<u>258,927</u>	<u>250,323</u>
Total assets less current liabilities		<u>518,608</u>	<u>510,682</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)*As at 30 June 2025*

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities		
Deferred tax liabilities	8,639	8,924
Employee benefit obligations	402	402
Lease liabilities	1,810	–
	10,851	9,326
Net assets	507,757	501,356
EQUITY		
Equity attributable to the owners of the Company		
Share capital	227,866	227,866
Reserves	279,891	273,490
Total equity	507,757	501,356

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) and with the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

2. MATERIAL ACCOUNTING POLICY INFORMATION

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are stated at fair value, as appropriate.

The accounting policies adopted in the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2024, except for the adoption of the amendments to HKFRS Accounting Standards (which include individual Hong Kong Financial Reporting Standard (“HKFRS”), HKASs and Interpretations) as disclosed below.

Adoption of amendment to HKFRS Accounting Standards – effective on 1 January 2025

In the current period, the Group has applied for the first time the following amendments to HKFRS Accounting Standards as issued by the HKICPA, which are effective for the Group’s financial statements for the annual financial period beginning on 1 January 2025.

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The adoption of this amendment to HKFRS Accounting Standards has no significant impact on the Group’s interim condensed consolidated financial statements.

3. REVENUE

(a) Disaggregation of revenue

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Services Revenue		
Type of services		
– Advisory and related services	7,163	11,034
– Asset management services	9,840	7,722
– Securities and related services	4,999	1,119
– Referral fees	–	3,746
– Sundry income	415	436
	22,417	24,057
Revenue from contracts with customers not within the scope of HKFRS 15:		
Interest Revenue		
Loan interest income	872	775
	23,289	24,832
Timing of services revenue recognition within the scope of HKFRS 15:		
At a point in time	5,067	10,345
Transferred over time	17,350	13,712
	22,417	24,057

(b) Transaction price allocated to remaining performance obligations

As of 30 June 2025 and 31 December 2024, the aggregate amount of the transaction price allocated to the performance obligation that are unsatisfied (or partially unsatisfied) is approximately HK\$5,977,000 and approximately HK\$14,102,000 respectively. The transaction price does not include any estimated amounts of variable consideration, unless at the reporting date it is highly probable that the Group will satisfy the conditions of variable consideration. The Group expects to recognise the amount as revenue when the performance obligations are satisfied in coming 6 to 12 months, depending on the contract terms. The following table shows the time band for remaining performance obligations to be satisfied.

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Remaining performance obligations expected to be satisfied during:		
the year ending 31 December 2025	5,410	14,102
the year ending 31 December 2026	567	–
	<hr/>	<hr/>
<i>(Note)</i>	5,977	14,102
	<hr/> <hr/>	<hr/> <hr/>

Note:

According to HKFRS 15 – Revenue from Contracts with Customers, the amount of remaining performance obligations above did not include a significant advisory transaction subject to conditions, because according to its mandate, as at 30 June 2025:

- (i) there are uncertainties surrounding the actual amount to be received;
- (ii) the range for the final amounts to be received is wide, the worst of it being nil;
- (iii) the uncertainty about the amount of advisory entitlement fee is not expected to be resolved within a short period of time; and
- (iv) there is no substantial commercial reality to ascertain the amount of the advisory entitlement fee.

4. SEGMENT INFORMATION

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

- (a) Corporate finance services, investment and others – provision of corporate finance advisory services including financial advisory services, services incidental to financial advisory, compliance advisory services, placing agency and/or underwriting services, investment business and others.
- (b) Asset management services – provision of asset management services including investment advisory services and sundry income derived from provision of the services.
- (c) Securities and related services – provision of securities broking, underwriting and placing of securities and investment in securities.
- (d) Money lending business – provision of loan financing and related services.

Segment revenue and results

	Corporate finance services, investment and others <i>HK\$'000</i>	Asset management services <i>HK\$'000</i>	Securities and related services <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Unaudited					
Six months ended 30 June 2025					
Revenue					
– external	7,163	10,255	4,999	872	23,289
– inter-segment	–	384	–	–	384
Other net income (<i>Note</i>)	–	–	525	–	525
Other net financial gain					
– all generated from proprietary trading	8,352	–	2,427	500	11,279
Less: inter-segment	(535)	(384)	(525)	–	(1,444)
Reportable segment revenue					
– external customers	<u>14,980</u>	<u>10,255</u>	<u>7,426</u>	<u>1,372</u>	<u>34,033</u>
Results					
Reportable segment profit before income tax	<u>8,699</u>	<u>5,919</u>	<u>1,109</u>	<u>261</u>	<u>15,988</u>
Unaudited					
Six months ended 30 June 2024					
Revenue					
– external	11,034	8,158	4,865	775	24,832
– inter-segment	–	230	–	–	230
Other net income (<i>Note</i>)	–	1,025	522	1	1,548
Other net financial gain					
– all generated from proprietary trading	18,532	–	229	181	18,942
Less: inter-segment	(707)	(1,255)	(522)	–	(2,484)
Reportable segment revenue					
– external customers	<u>28,859</u>	<u>8,158</u>	<u>5,094</u>	<u>957</u>	<u>43,068</u>
Results					
Reportable segment profit/(loss) before income tax	<u>22,209</u>	<u>4,420</u>	<u>518</u>	<u>(206)</u>	<u>26,941</u>

Note: None of the other net income generated from proprietary trading was included in segment revenue for the six months ended 30 June 2025 and 2024.

Segment assets and liabilities

	Corporate finance services, investment and others <i>HK\$'000</i>	Asset management services <i>HK\$'000</i>	Securities and related services <i>HK\$'000</i>	Money lending business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Unaudited					
As at 30 June 2025					
Reportable segment assets and consolidated total assets	439,664	43,453	426,215	29,131	938,463
Reportable segment liabilities	14,010	1,095	411,666	117	426,888
Unallocated: other payables, accrued expenses, taxation payable and employee benefit obligations					3,818
Consolidated total liabilities					430,706
Audited					
As at 31 December 2024					
Reportable segment assets and consolidated total assets	439,936	43,531	244,335	29,351	757,153
Reportable segment liabilities	12,460	243	231,118	318	244,139
Unallocated: other payables, accrued expenses, taxation payable and employee benefit obligations					11,658
Consolidated total liabilities					255,797

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments; and
- all liabilities are allocated to operating segments other than other payables, accrued expenses, taxation payable and employee benefit obligations (except for other payables, accrued expenses, taxation payable and employee benefit obligations attributable to securities and related services and money lending business segments).

Major customers information

Revenue from major customers, each of whom amounted to 10% or more of Group's revenue during the six months ended 30 June 2025 and 2024, is set out below:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Customer A ¹	9,018	8,064
Customer B ³	–	5,000
Customer C ²	–	3,746
Customer D ³	–	3,000
	<u> </u>	<u> </u>

¹ Revenue from Customer A is attributable to asset management services and securities and related services.

² Revenue from Customer C is attributable to securities and related services.

³ Revenue from Customers B and D are attributable to corporate finance services, investment and others.

Concentration of loans on major customers

At the end of the reporting period, the Group has certain concentration of credit risk as 54.7% (as at 31 December 2024: 52.3%) and 83.5% (as at 31 December 2024: 81.9%) of the total mortgage loans and term loans was due from the Group's largest customer and the five largest customers within the money lending business segment respectively.

Geographic information

The Group's operations are mainly located in Hong Kong and all the Group's non-current assets (excluding mortgage loan and financial assets at FVPL) are located in Hong Kong.

5. PROFIT BEFORE INCOME TAX

Unaudited
Six months ended 30 June
2025 2024
HK\$'000 **HK\$'000**

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

Amortisation on intangible assets	1,726	1,726
Depreciation of		
– Owned property, plant and equipment	30	50
– Right-of-use assets	1,447	1,551
Employee benefit expense (including Directors' emoluments)	9,091	8,293
Interest on lease liabilities	104	67
Reversal of impairment losses on financial assets	(179)	(100)
	<u> </u>	<u> </u>

6. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2025 and 2024. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of one subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Unaudited
Six months ended 30 June
2025 2024
HK\$'000 **HK\$'000**

Current tax		
– Hong Kong profits tax	(1,509)	(1,413)
Deferred tax	285	285
	<u> </u>	<u> </u>
Income tax expense	<u>(1,224)</u>	<u>(1,128)</u>

7. EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

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

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Earnings for the purpose of basic and diluted earnings per share		
Profit for the period attributable to the owners of the Company	14,764	25,813
Number of shares		
Weighted average number of ordinary shares in issue for the purpose of basic and diluted earnings per share	2,278,660,380	2,073,580,946

There were no potential ordinary share in issue for the six months ended 30 June 2025 and 2024. Accordingly, the diluted earnings per share presented are the same as the basic earnings per share.

The weighted average number of ordinary shares of 2,073,580,946 for the six months ended 30 June 2024 was derived from 1,139,330,190 shares in issue as at 1 January 2024 after taking into account the effects of the issue of shares upon rights issue completed on 2 February 2024.

8. DIVIDEND

At a Board meeting held on 26 August 2025, the Board resolved not to declare an interim dividend for the period (30 June 2024: Nil).

Final dividend for the year ended 31 December 2024 of HK0.28 cent per share and special dividend of HK0.16 cent per share, with aggregate amount of HK\$10,026,000, were recommended by the Board and approved at the annual general meeting held on 30 May 2025 and paid during the six months ended 30 June 2025 (30 June 2024: Nil).

9. GOODWILL

	<i>HK\$'000</i>
Cost	
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	302,965
Accumulated impairment	
At 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	194,177
Carrying amount	
At 31 December 2024 (Audited)	108,788
At 30 June 2025 (Unaudited)	108,788

10. INTANGIBLE ASSETS

	Investment management agreement <i>HK\$'000</i>	Backlog <i>HK\$'000</i>	Trade name <i>HK\$'000</i>	Securities and Futures Commission licences <i>HK\$'000</i>	Club membership <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost						
At 1 January 2024	15,560	9,620	69,044	3,740	–	97,964
Addition	–	–	–	–	5,000	5,000
At 31 December 2024, 1 January 2025 and 30 June 2025	15,560	9,620	69,044	3,740	5,000	102,964
Amortisation and impairment						
At 1 January 2024	15,560	9,620	15,247	–	–	40,427
Amortisation	–	–	3,452	–	–	3,452
At 31 December 2024 and 1 January 2025	15,560	9,620	18,699	–	–	43,879
Amortisation	–	–	1,726	–	–	1,726
At 30 June 2025	15,560	9,620	20,425	–	–	45,605
Carrying amount						
At 31 December 2024 (Audited)	–	–	50,345	3,740	5,000	59,085
At 30 June 2025 (Unaudited)	–	–	48,619	3,740	5,000	57,359

11. MORTGAGE LOANS

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Secured mortgage loans	<u>7,459</u>	<u>8,255</u>
Analysed for reporting purposes as:		
– Non-current assets	5,923	6,691
– Current assets	<u>1,536</u>	<u>1,564</u>
	<u>7,459</u>	<u>8,255</u>

As at 30 June 2025 and 31 December 2024, no mortgage loan was past due.

During the six months ended 30 June 2025 and 2024 and as at 30 June 2025 and 31 December 2024, the Group has not recognised any loss allowance for the mortgage loans which are secured by collateral as the realisable value of collateral of such mortgage loans can be objectively ascertained to cover the outstanding loan amounts.

12. TERM LOANS

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Current assets		
Term loans	9,554	9,047
Less: impairment allowance	<u>(530)</u>	<u>(390)</u>
	<u>9,024</u>	<u>8,657</u>

No ageing analysis is disclosed for term loans financing, as, in the opinion of the Directors, the ageing analysis does not give additional value in the view of the nature of the term loans financing business.

13. TRADE AND OTHER RECEIVABLES, DEPOSITS PAID AND PREPAYMENTS

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Trade receivables (<i>Note</i>)	5,601	1,452
Other receivables	482	260
Prepayments	274	792
Rental and utility deposits	888	948
	<u>7,245</u>	<u>3,452</u>

Note:

The Group normally applies credit terms to its customers according to industry practice together with consideration of their creditability, repayment history and years of establishment. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

The ageing analysis of the carrying amount of the Group's trade receivables as at the reporting date, based on invoice dates, is as follows:

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Within 30 days	5,351	1,452
Over 30 days but within 60 days	250	–
	<u>5,601</u>	<u>1,452</u>

14. CLIENT TRUST BANK BALANCES

The Group maintains segregated deposit accounts with recognised banks to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as client trust bank balances under the current assets section of the condensed consolidated statement of financial position and recognised the corresponding trade payables (Note 15) to respective clients as it is liable for any loss or misappropriation of clients' monies. The segregated deposit accounts balances are restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

15. TRADE AND OTHER PAYABLES AND ACCRUED EXPENSES

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Trade payables arising from the ordinary course of business of securities dealing and brokerage services (<i>Note</i>)		
– Clients	408,651	228,498
– Hong Kong Securities Clearing Company Limited ("HKSCC")	–	2,228
Other payables and accrued expenses	2,010	11,522
	<u>410,661</u>	<u>242,248</u>

Note:

The settlement terms of trade payables attributable to dealing in securities are two days after the trade date.

No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis does not give additional value to users of this announcement in view of the business nature of securities dealing and brokerage services.

As at 30 June 2025, included in trade payables arising from the ordinary course of business of securities dealing and brokerage services was an amount of approximately HK\$406,127,000 (31 December 2024: approximately HK\$230,741,000) payable to clients in respect of segregated deposit accounts balances received and held for clients in the course of the conduct of regulated activities.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 June 2025 (the “Interim Period”), the Group is principally engaged in the provision of corporate finance advisory services and asset management services through its wholly-owned subsidiary, Yu Ming Investment Management Limited (“Yu Ming”), in investment in securities through a wholly-owned subsidiary, Yu Ming High Dividend Fund (“YMHD Fund”), in securities broking and placing of securities through a wholly-owned subsidiary, Morton Securities Limited (“Morton Securities”), and in money lending business in Hong Kong mainly through another wholly-owned subsidiary, Morgan Finance Limited (“Morgan Finance”).

Yu Ming is licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO.

YMHD Fund is a fund incorporated as an exempted company in the Cayman Islands and registered as a regulated mutual fund under the Mutual Funds Act of the Cayman Islands.

Morton Securities is a securities dealer licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. Morton Securities is also an Exchange Participant of the Stock Exchange and is admitted by HKSCC to participate in the Central Clearing and Settlement System as a Direct Clearing Participant (within the meaning of the General Rules of Central Clearing and Settlement System).

Morgan Finance holds the money lenders licence, which was granted by the licensing court pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and the Money Lenders Regulations, allowing Morgan Finance to carry on money lending business in Hong Kong.

Corporate Finance Advisory

During the Interim Period, the corporate finance advisory services provided by Yu Ming mainly included the following:

- (i) acting as financial adviser to advise listed issuers, shareholders and investors of listed issuers and entities on specific transactions in respect of the Listing Rules, the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) and/or the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs (the “Takeovers Code”);

- (ii) acting as independent financial adviser to listed issuers to provide independent advice required under the Listing Rules, the Takeovers Code or other specific circumstances; and
- (iii) acting as financial adviser to listed issuers on a retainer basis to advise listed issuers on corporate strategies and compliance with the Listing Rules, the GEM Listing Rules and the Takeovers Code.

Amongst the transactions advised include resumption of trading of Main Board listed companies on the Stock Exchange, takeover under the Takeovers Code and hostile situations.

Revenue recognised for the Interim Period from corporate finance advisory and related services was approximately HK\$7.2 million (2024: approximately HK\$11.0 million).

Asset Management

During the Interim Period, Yu Ming provided asset management services to SHK Hong Kong Industries Limited and other two investment funds including YMHD Fund.

Revenue for the Interim Period from asset management services was approximately HK\$10.2 million (2024: approximately HK\$8.1 million), net of intragroup asset management services fee.

Investment

During the Interim Period, YMHD Fund principally carried on investment in securities.

Other net financial gain for the Interim Period from YMHD Fund's investment in securities was approximately HK\$6.6 million (2024: approximately HK\$2.3 million).

Securities Broking

During the Interim Period, Morton Securities was principally engaged in securities broking, placing of securities and investment in securities.

Morton Securities maintains a solid operation despite a small profit during the Interim Period.

Revenue for the Interim Period from securities and related services was approximately HK\$5.0 million (2024: approximately HK\$4.9 million).

Money Lending

During the Interim Period, Morgan Finance was principally engaged in money lending business in Hong Kong.

Morgan Finance together with its subsidiary derives referral fees and interest income from commercial and personal lending as well as property mortgage financing. The loans granted to customers range from unsecured loans (i.e. term loan and personal loan) to secured loans (i.e. property mortgage and share mortgage). In view of the economic instability, Morgan Finance continued to adhere to its cautious approach to strengthening the overall credit risk management and control mechanism, in order to minimise default risks, it also adjusted the interest rate and loan to value ratio on a timely basis, according to the market situation.

Revenue for the Interim Period from money lending and related business was approximately HK\$0.9 million (2024: approximately HK\$0.8 million).

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the Interim Period (2024: Nil).

FINANCIAL REVIEW

Overall Results

The Group recorded a net profit of approximately HK\$14.8 million for the Interim Period (2024: approximately HK\$25.8 million), representing a decrease in profit of approximately HK\$11.0 million. The decline in net profit after tax is primarily attributed to reduction in corporate finance revenue and investment gains from fixed income investments during the Interim Period.

The Group's basic earnings per share for the Interim Period was HK0.65 cent (2024: HK1.24 cents).

Revenue and Financial Resources

For the Interim Period, the Group had revenue of approximately HK\$23.3 million (2024: approximately HK\$24.8 million).

As at 30 June 2025, the Group had cash and cash equivalents of approximately HK\$114.0 million (31 December 2024: approximately HK\$98.6 million). As at 30 June 2025, the Group's current ratio (current assets to current liabilities) was approximately 161.7% (31 December 2024: approximately 201.6%).

For the Interim Period, the Group had no material exposure to fluctuations in exchange rates.

Indebtedness and Banking Facilities

The Group had no bank and other borrowings as at 30 June 2025.

As at 31 December 2024, the Group had no bank and other borrowings other than unsecured bank overdraft of HK\$0.1 million.

The Group's gearing ratio, calculated by reference to the ratio of total bank borrowings (if any) to total equity attributable to the owners of the Company as at 30 June 2025 and 31 December 2024, was 0%.

Assets and Liabilities

As at 30 June 2025, the Group had total assets of approximately HK\$938.5 million (31 December 2024: approximately HK\$757.2 million) and total liabilities of approximately HK\$430.7 million (31 December 2024: approximately HK\$255.8 million). The net assets of the Group as at 30 June 2025 were approximately HK\$507.8 million (31 December 2024: approximately HK\$501.4 million).

Capital Structure

As at 30 June 2025 and 31 December 2024, there was no change to the share capital.

Commitments

As at 30 June 2025 and 31 December 2024, the Group had no outstanding contracted capital commitments.

Charges on Group Assets

As at 30 June 2025 and 31 December 2024, the Group had no assets under pledge.

Significant Investments, Acquisitions and Disposals

Perpetual notes issued by Standard Chartered PLC ("SC Bank"), (the "SC Notes")

As at 30 June 2025, the Group held total USD7.0 million nominal amount of the SC Notes and total cost of approximately HK\$47.3 million.

As at 30 June 2025, the fair value of the SC Notes was approximately HK\$51.4 million (representing 5.5% of the Group's total assets). No realised gain/loss and dividend was recorded but unrealised gain of approximately HK\$1.7 million and received coupons of HK\$1.2 million from the SC Notes were recognised during the Interim Period.

SC Bank was incorporated in England and Wales as a public limited company and its shares are listed on the Main Board of the Stock Exchange (stock code: 2888) and London Stock Exchange (stock code: STAN.LN). SC Bank is an international banking and financial services group with a focus on the markets of Asia, Africa and the Middle East.

Performance of SC Notes' issuer, SC Bank:

The SC Bank and its subsidiaries ("SC Group") remains well capitalised and highly liquid with a diverse and stable deposit base. The liquidity coverage ratio of 146% reflects disciplined asset and liability management. The common equity tier 1 ratio of 14.3% remains above the target range, with profit accretion in the first half partly offset by shareholder distributions and growth in risk-weighted assets.

Operating income of USD10.9 billion increased by 10% or 13% excluding the two notable items. The growth was driven by record performance in Wealth Solutions, strong pipeline execution in Global Banking and elevated client activity in Global Markets.

Net interest income increased 4%, benefitting from improved mix and roll-off of legacy short-term hedges which was partly offset by the impact of lower interest rates and margin compression.

Non net interest income increased 18% or 25% excluding the notable items. This was driven by continued momentum in Wealth Solutions, strong performance in Global Banking and record Global Markets income, supported by a USD238 million gain from the Solv India transaction.

Operating expenses increased 4%. This was largely driven by continued investments into business growth initiatives and inflation which were partly offset by efficiency savings. The SC Group generated 6% positive income-to-cost jaws and the cost-to-income ratio improved 3 percentage points to 55%.

Credit impairment was a charge of USD336 million, an increase of USD87 million. Wealth & Retail Banking charge of USD332 million increased USD65 million primarily from higher charge-offs in a few select markets. Corporate & Investment Banking impairments continued to be well managed with a net release of USD14 million. Ventures impairments were lower as delinquency rates continued to improve in Mox. The first half charge includes a non-linearity charge of USD34 million, reflecting an increased probability weighting for the two downside scenarios given the heightened uncertainty around trade tariffs.

Other impairment charge decreased by USD134 million to USD9 million due to the non-repeat of software asset write-offs.

Profit from associates and joint ventures increased by USD27 million reflecting higher profits at China Bohai Bank.

Restructuring, Fit For Growth, Debit Valuation Adjustment and other items totalled USD297 million including USD160 million charge related to the Fit for Growth programme and USD137 million restructuring charges primarily relating to the simplification of technology platforms and losses relating to business and portfolio exits.

Taxation was USD1.1 billion on a reported basis, with an underlying effective tax rate of 23.7% down from 30.1% in the prior year reflecting changes in geographic mix of profits, lower level of non-deductible losses in the United Kingdom, lower non-tax-deductible costs and adjustments related to prior periods.

Underlying return on tangible equity of 18.1% increased 410 basis points due to higher profits and lower taxation partly offset by higher tangible equity. On a reported basis, return on tangible equity increased 450 basis points to 16.4% with growth in underlying profits and reduced charges relating to other items.

Prospects of SC Notes' issuer, SC Bank:

The SC Bank expects that downside risks to the global economy persist amid elevated trade policy uncertainty and wider geopolitical change, and the 2025 global growth forecast to moderate slightly to 3.1% from the 3.2% projected in late 2024.

Growth in the SC Group's footprint across Asia, Africa and the Middle East, is expected to outpace global growth in 2025, with average growth of 4.9% in Asia, 4.1% in Africa and 3.4% in Middle East, in contrast to an average of 1.3% for major developed economies.

The SC Bank is also confident that it is uniquely positioned to take advantage of growth opportunities that will continue to emerge from the markets in the SC Group's footprint, generating value for the clients and the communities in which it operates. It will continue to invest in its core capabilities serving its institutional clients' cross-border needs, with a particular focus on affluent clients in Wealth & Retail Banking.

Investment strategy in SC Notes:

In view of the decent yield, the Group intends to hold the investment.

Perpetual notes issued by The Bank of East Asia, Limited (“BEA”), (the “BEA Notes”)

As at 30 June 2025, the Group held a total nominal amount of USD6.0 million in the BEA Notes and the total cost amounted to approximately HK\$37.2 million.

As at 30 June 2025, the fair value of the BEA Notes was approximately HK\$47.5 million (representing 5.1% of the Group’s total assets). No realised gain/loss and dividend was recorded but unrealised gain of approximately HK\$0.9 million and received coupons of approximately HK\$1.4 million from the BEA Notes were recognised during the Interim Period.

BEA is incorporated in Hong Kong with limited liability and its shares are listed on the Main Board of the Stock Exchange (stock code: 23). BEA and its subsidiaries (“BEA Group”) are principally engaged in banking and financial sectors.

Performance of BEA Notes’ issuer, BEA:

For the Interim Period, the BEA Group recorded a profit attributable to owners of BEA of HK\$2,407 million, representing an increase of 14.1% compared with the HK\$2,111 million earned during the same period in 2024.

Basic earnings per share increased by 24.6% year-on-year to HK\$0.86 in the Interim Period. The annualized return on average assets was 0.5%, while the annualized return on average equity was 4.5%.

Pre-provision operating profit experienced a modest decline by HK\$224 million, or 3.9%, to HK\$5,447 million amidst challenging external conditions.

Net interest income fell by HK\$884 million, or 10.7%, to HK\$7,344 million. With the reduction in interest rates, net interest margin narrowed by 22 basis points year-on-year, from 2.10% to 1.88%.

Non-interest income increased by 29.2% to HK\$2,915 million. Net fee and commission income rose by HK\$236 million, or 16.7% year-on-year, to HK\$1,654 million, supported by a growing contribution of fees from investment activities and sales of third-party insurance policies. Net profit from trading, revaluation of financial instruments, and related hedging also improved by HK\$341 million, or 43.8%, mainly driven by higher revenue from structured products and foreign exchange dealings, which resulted from increased customer activities.

Overall, total operating income decreased by HK\$225 million, or 2.1%, to HK\$10,259 million.

Operating expenses was held stable at HK\$4,812 million. BEA continued to invest in talent and digital capabilities while realizing efficiency gains from its transformation initiatives. The cost-to-income ratio for the Interim Period increased by 1.0 percentage point to 46.9%.

Impairment losses on financial instruments decreased by HK\$342 million, or 11.9%, to HK\$2,539 million for the Interim Period. The Mainland and Hong Kong commercial real estate sector continued to be the main concern for asset quality, accounting for 70% of loan loss provisions. The BEA Group's impaired loan ratio stood at 2.63% at the end of June 2025, down from 2.72% at the end of December 2024.

Prospects of BEA Notes' issuer, BEA:

BEA's business growth has been supported by good momentum in both the Mainland and Hong Kong economies, and a marked improvement in capital market sentiment and performance. Although changes in the United States trade policies may lead to elevated uncertainties, BEA has maintained a solid business portfolio with a strong balance sheet, while previous investments in new drivers and future capabilities are delivering results.

Investment strategy in BEA Notes:

In view of the attractive yield, the Group intends to hold the investment.

Save as disclosed above, there were no other significant investments, acquisitions and disposals by the Group during the Interim Period.

Contingent Liabilities

As at the date of this announcement and as at 30 June 2025 and 31 December 2024, the Board is not aware of any material contingent liabilities.

EVENTS AFTER THE REPORTING DATE

On 30 July 2025, the Company proposed to raise up to approximately HK\$136.7 million before expenses by way of issuing a maximum of 1,139,330,190 new shares (the "Rights Share(s)") at a subscription price of HK\$0.12 per Rights Share on the basis of one (1) Rights Share for every two (2) existing shares of the Company (the "Rights Issue").

The maximum net proceeds from the Rights Issue after deducting the relevant expenses are estimated to be approximately HK\$136.0 million. The Company intends to apply the net proceeds from the Rights Issue as to approximately HK\$116.0 million for the margin financing business of the Group and HK\$20.0 million for general working capital of the Group. The results of the Rights Issue are expected to be announced on 8 September 2025.

Details of the Rights Issue were disclosed in the Company's announcement dated 30 July 2025 and prospectus dated 18 August 2025.

Save as disclosed above, there are no important events affecting the Group which have occurred after the end of the Interim Period and up to the date of this announcement.

PROSPECT

Despite an increase in initial public offering activities and an improved valuation in Hong Kong's stock market, corporate finance advisory business amongst local licensed advisers remains competitive in the first half of 2025. Yu Ming continues to focus on contentious corporate finance transactions as its main offerings to clients in need. The asset management business provides us with a long-term, stable source of income, and our team will consistently seek additional fund management opportunities. Morton Securities has separately obtained an asset management license and the Group will combine the resources of Yu Ming and Morton Securities in asset management to provide a more comprehensive service to our clients. The margin financing business will be activated in the second half of 2025, which is expected to be a profitable business itself and complementary to our securities broking business by offering customers more comprehensive financial solutions. Given the current slowdown in the local economy, we will adopt a prudent approach to our money lending business.

AUDIT COMMITTEE

The Company had an audit committee established in accordance with Rule 3.21 of the Listing Rules.

The audit committee has reviewed financial reporting matters and the 2025 Interim Report including a general review of the interim condensed consolidated financial statements for the six months ended 30 June 2025. In carrying out this review, the audit committee has relied on a review conducted by the Group's external auditor in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA and representations from management. The audit committee has not undertaken detailed independent audit checks.

COMPLIANCE WITH THE CODE PROVISIONS OF THE CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with all the applicable code provisions that were in force as set out in the Corporate Governance Code in Appendix C1 to the Listing Rules during the Interim Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code during the Interim Period.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities nor sold or transferred treasury shares as defined under the Listing Rules during the Interim Period.

By Order of the Board
DA YU FINANCIAL HOLDINGS LIMITED
Lee Wa Lun, Warren
Managing Director

Hong Kong, 26 August 2025

As at the date of this announcement, the Non-Executive Director is Mr. Kuo Jen-Hao (Chairman), the Executive Directors are Mr. Lee Wa Lun, Warren (Managing Director), Mr. Xu Haohao, Mr. Lam Chi Shing and Ms. Li Ming, and the Independent Non-Executive Directors are Mr. Chan Sze Chung, Mr. Suen Chi Wai and Mr. Sum Wai Kei, Wilfred.