

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA FINANCIAL LEASING GROUP LIMITED

中國金融租賃集團有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2312)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

INTERIM RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of China Financial Leasing Group Limited (the “**Company**”) announces the unaudited condensed results of the Company and its subsidiary (collectively the “**Group**”) for the six months ended 30 June 2025. The unaudited condensed interim financial statements have not been audited by the Company’s auditor but have been reviewed by the Company’s audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June 2025 (Unaudited) HK\$'000	Six months ended 30 June 2024 (Unaudited) HK\$'000
	Note		
Revenue	3	719	360
Net gain/(loss) on financial assets at fair value through profit or loss		3,233	(7,447)
Other income	5	15	1
Administrative expenses		(2,119)	(1,586)
Profit/(Loss) from operations		1,848	(8,672)
Finance costs		(12)	(7)
Profit/(Loss) before income tax	6	1,836	(8,679)
Income tax expense	7	—	—
Profit/(Loss) for the period and other comprehensive income attributable to owners of the Company		1,836	(8,679)

* For identification purposes only

		Six months ended 30 June 2025 (Unaudited) <i>HK cents</i>	Six months ended 30 June 2024 (Unaudited) <i>HK cents</i>
	<i>Note</i>		
Earnings/(Loss) per share	8		
– Basic		0.53	(2.67)
		=====	=====
– Diluted		N/A	N/A
		=====	=====

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	At 30 June 2025 (Unaudited) HK\$'000	At 31 December 2024 (Audited) HK\$'000
Note		
Non-current assets		
Property, plant and equipment	1	–
Right-of-use assets	–	–
Refundable rental deposit	60	60
	<u>61</u>	<u>60</u>
	<u>61</u>	<u>60</u>
Current assets		
Financial assets at fair value through profit or loss	77,861	74,940
Deposits and prepayments	26	26
Cash and cash equivalents	1,762	3,374
	<u>79,649</u>	<u>78,340</u>
	<u>79,649</u>	<u>78,340</u>
Current liabilities		
Accruals	–	393
Lease liabilities	235	272
	<u>235</u>	<u>665</u>
	<u>235</u>	<u>665</u>
Net current assets	<u>79,414</u>	<u>77,675</u>
	<u>79,414</u>	<u>77,675</u>
Total assets less current liabilities	<u>79,475</u>	<u>77,735</u>
	<u>79,475</u>	<u>77,735</u>
Non-current liabilities		
Lease liabilities	–	96
	<u>–</u>	<u>96</u>
Net assets	<u>79,475</u>	<u>77,639</u>
	<u>79,475</u>	<u>77,639</u>
Capital and reserves attributable to owners of the Company		
Share capital	13,876	13,876
Reserves	65,599	63,763
	<u>79,475</u>	<u>77,639</u>
Total equity	<u>79,475</u>	<u>77,639</u>
	<u>79,475</u>	<u>77,639</u>
Net asset value per share (HK cents per share)	9 <u>22.91</u>	<u>23.48</u>
	<u>22.91</u>	<u>23.48</u>

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The unaudited condensed interim financial statements for the six months ended 30 June 2025 of China Financial Leasing Group Limited and its subsidiary have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). It was authorised for issue on 28 August 2025.

These unaudited condensed financial statements should be read in conjunction with the 2024 annual financial statements. Except as described below, the accounting policies (including the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these unaudited condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2024.

2. NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

The Group has applied the amendments to HKAS 21 “Lack of Exchangeability” for the first time from 1 January 2025. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standard.

3. REVENUE

Revenue recognised during the period is as follows:

	Six months ended 30 June 2025 (Unaudited) HK\$'000	Six months ended 30 June 2024 (Unaudited) HK\$'000
Interest income on bank deposits	35	18
Interest income from bonds	427	40
Dividend income	257	302
	<u>719</u>	<u>360</u>

The gross proceeds from trading of listed securities for the period amounted to approximately HK\$157,259,000 (2024: HK\$58,135,000). The realised losses and unrealised gains (2024: realised gains and unrealised losses) on financial assets at fair value through profit or loss for the six months ended 30 June 2025 were approximately HK\$1,727,000 (2024: realized gains HK\$1,418,000) and HK\$4,960,000 (2024: unrealized losses HK\$8,865,000) respectively, the aggregate of which is shown in the condensed consolidated statement of profit or loss and other comprehensive income under the line of “Net gain/(loss) on financial assets at fair value through profit or loss”.

4. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the Group's executive directors for their decisions about resources allocation to the Group's business components and review of these components' performance.

For the six months ended 30 June 2024 and 30 June 2025, the Group has identified only one segment and the sole business of this segment is investment in listed securities. No separate analysis of segment information by business segment is presented.

The Group's revenue from the group's investment in listed securities by geographical areas are not presented as the geographical segments other than Hong Kong are less than 10% of the aggregate amount of the Group's total revenue.

5. OTHER INCOME

	Six months ended 30 June 2025 (Unaudited) HK\$'000	Six months ended 30 June 2024 (Unaudited) HK\$'000
Rebates	<u>15</u>	<u>1</u>

6. PROFIT/(LOSS) BEFORE INCOME TAX

	Six months ended 30 June 2025 (Unaudited) HK\$'000	Six months ended 30 June 2024 (Unaudited) HK\$'000
Profit/(loss) before income tax is arrived at after charging:		
Depreciation charges on right-of-use assets	–	45
Depreciation charges on property, plant and equipment	–	1
Staff costs (excluding directors' remuneration)		
Salary	180	180
Retirement benefits scheme contributions	<u>9</u>	<u>9</u>

7. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made in the unaudited condensed interim financial statements as there is no estimated assessable profit for the six months ended 30 June 2025 (2024: Nil).

At 30 June 2025, the Group had unused tax losses of approximately HK\$382,232,000 (31 December 2024: HK\$377,700,000) available for offset against future profits and are subject to the approval of Inland Revenue Department. Deferred tax assets have not been recognised in respect of these losses due to the unpredictability of future profit streams. Under the current tax legislation, the tax losses can be carried forward indefinitely.

At the reporting date, the Group did not have any significant deferred tax liabilities (31 December 2024: Nil).

8. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share

The calculation of the basic earnings (2024: loss) per share is based on the profit for the period attributable to the owners of the Company of approximately HK\$1,836,000 (2024: loss HK\$8,679,000) and on the weighted average number of 346,897,482 shares (2024: 324,543,979 shares).

9. NET ASSET VALUE PER SHARE

The calculation of net asset value per share is based on the net assets of approximately HK\$79,475,000 (31 December 2024: HK\$77,639,000) and on the weighted average number of 346,897,482 shares (31 December 2024: 330,710,211) as at 30 June 2025. The net asset value per share as at 30 June 2025 is approximately HK cents 22.91 (31 December 2024: HK cents 23.48).

10. INTERIM DIVIDEND

The Board resolved not to declare any payment of an interim dividends for the six months ended 30 June 2025 (2024: Nil).

11. EVENTS AFTER THE REPORTING PERIOD

Change in major shareholder of the Company and Mandatory conditional cash offer

On 13 June 2025, Mr Lam Shu Chung (“**Vendor A**”) and Longling Capital Ltd. (the “**Offeror**”) entered into a sale and purchase agreement (the “**SP Agreement A**”), pursuant to which Vendor A has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 95,706,441 Shares (being all the Shares held by Vendor A immediately before completion of the SP Agreement A), representing approximately 27.59% of the total number of Shares in issue at a total cash consideration of HK\$36,368,447.58 (equivalent to HK\$0.38 per Share). On 18 June 2025, Like Capital Limited (“**Vendor B**”) and the Offeror entered into a sale and purchase agreement (the “**SP Agreement B**”), pursuant to which Vendor B has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 25,556,574 Shares (being all the Shares held by Vendor B immediately before completion of the SP Agreement B), representing approximately 7.37% of the total number of Shares in issue, at a total cash consideration of HK\$9,711,498.12 (equivalent to HK\$0.38 per Share). Completion of the SP Agreement A and SP Agreement B took place on 24 June 2025 whereupon the Offeror became interested in approximately 34.96% of the Company. As a result, the Offeror becomes the controlling shareholder of the Company.

On 24 June 2025, the Company and the Offeror made a joint announcement, pursuant to which, Kingston Securities Limited, for and on behalf of the Offeror, made a mandatory conditional cash offer (the “**Offer**”) to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the Hong Kong Code on Takeovers and Mergers. As the condition of the Offer has not been satisfied, the Offeror and the Company jointly announced that the Offer lapsed on 18 August 2025 and there would be no extension or revision of the Offer.

Details of the Offer were set out in the joint announcements of the Company and the Offeror dated 24 June 2025, 15 July 2025, 28 July 2025 and 18 August 2025, and the composite document (the “**Composite Document**”) of the Company and the Offeror dated 28 July 2025.

Proposed Change of Company Name

Reference is made to (a) the Composite Document dated 28 July 2025 in relation to, among others, the Offer, and (b) the announcements of the Company dated 30 July 2025 and 13 August 2025 and the circular of the Company dated 27 August 2025 in relation to the proposed change of company name.

As disclosed in the Composite Document and the announcement dated 30 July 2025, the Board proposed to change the English name of the Company from “China Financial Leasing Group Limited” to “CAI Corp” and adopt the Chinese name “CAI控股” as its new dual foreign name to replace its existing Chinese name “中國金融租賃集團有限公司” (the “**Initial Proposed Change of Company Name**”). As further disclosed in the announcement dated 13 August 2025, following further consideration having regard to the business and development of the Company, the Board proposed to change the English name of the Company from “China Financial Leasing Group Limited” to “Long Corp” and adopt the Chinese name “Long 集團” as its new dual foreign name to replace its existing Chinese name “中國金融租賃集團有限公司” (the “**New Proposed Change of Company Name**”) as opposed to the Initial Proposed Change of Company Name.

The New Proposed Change of Company Name is subject to the satisfaction of the following conditions:

- (i) the passing of a special resolution by the Shareholders approving the New Proposed Change of Company Name at an extraordinary general meeting of the Company (the “**EGM**”); and
- (ii) the Registrar of Companies in the Cayman Islands (the “**Registrar**”) approving the New Proposed Change of Company Name.

Subject to the satisfaction of the conditions set out above, the New Proposed Change of Company Name will take effect from the date on which the Registrar enters the new English name and dual foreign name of the Company on the register of companies maintained by the Registrar in place of the existing name and issues the certificate of incorporation on change of name. Thereafter, the Company will carry out all necessary registration and/or filing procedures with the Companies Registry in Hong Kong.

The EGM will be convened and held by the Company for the Shareholders to consider and, if thought fit, pass a special resolution regarding the New Proposed Change of Company Name.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND FUTURE PROSPECTS

Hong Kong stock market finally encountered an upturn for the 6-month period although the market has been ups and downs, negative sentiment continues to hammer market and investors' confidence. The Hang Seng Index ("HSI") started off the year with continued weakness. At the beginning of the year, DeepSeek launched the DeepSeek chatbot, which prompted the investors' confidence on the tech and AI-Driven Stocks of China. Revaluation of these sectors drove the HSI significantly upward for almost 5000 points during first quarter with enormous average daily market turnover level as well. Nonetheless, escalating tariff war between the US and China subsequently triggered a huge correction in early April but with news and talks that both sides want to de-escalate the trade tensions, HSI slowly recovered gradually to close at 24,072 on 30 June 2025, a 20% gain in the first half while HS Tech Index also enjoyed a 18.7% gain. Such gain surpass the 5.5% and 1.5% increase in S&P 500 and Nikkei 225 indices respectively. Hong Kong's IPO market rebounded significantly in the first half of 2025, as a growing number of A-share listed companies sought listings in Hong Kong. The improved market liquidity, and rising international investor demand for core Chinese assets also drove market activity. In the first half of 2025, Hong Kong raised HK\$107.1 billion through IPOs. The fundraising amount in the first half of 2025 already surpasses the entire amount raised in 2024.

Owing to favourable price performances in the portfolio, the Company achieved net profit in first half. In addition, the Investment Committee frequently monitor various investment opportunities as well as different type of investments and for quite some time, cryptocurrency is on our radar with the sustaining weakness on US dollar that trigger strength in bitcoin as well as other commodities such as gold and silver. In addition, licensing scheme of virtual asset trading platforms two years ago, and more recently passing of the Stablecoins bill by Legislative Council to establish a new licensing regime for flat-referenced stablecoin issuers, have significantly boosted local investors interest and confidence toward this sector. After careful consideration, the Company have begun investing into cryptocurrencies sector as well, particularly related ETFs that hold physical cryptos rather than those synthetic products.

Looking ahead, Hong Kong stock market recently has shown resilience toward negative sentiment and news. While Trump tariff war with rest of countries continues, the stand towards China have soften with both sides continue to negotiate, which should make this a non-factor ahead unless the talks broke down to a huge extent down the road. Local financial market will likely also be continuously be boosted with the flood of new listing in HKEx. More importantly, with Mr. Cai Wensheng being the major shareholder of the Company now, with his long tenure of successful experiences as angel investors as well as numerous successful investments, there is no doubt this will be hugely advantageous to the company's development as well as to our shareholders. As stated in the composite share offer document, the Offeror intends to increase the Group's investment in Web3 and AI technology innovation companies. The Offeror strives to build the Group into an innovative digital asset investment holding group. In addition to the above, the Offeror will review the Group's operations and business activities and formulate a long-term business strategy for the Group.

FINANCIAL RESULTS

For the six months ended 30 June 2025, the Group recorded a profit of approximately HK\$1,836,000 (2024: loss HK\$8,679,000), which was mainly attributable to the net profit (realised losses and unrealised gains) on financial assets at fair value through profit or loss.

OPERATING REVIEW

The Company is principally engaged in short to medium term capital appreciation by investing in a diversified portfolio of investments in listed and unlisted securities. There was no change in the nature of the Group's principal activities during the six months ended 30 June 2025. As at 30 June 2025, the total fair value of the Group's investments was approximately HK\$77,861,000 (as at 31 December 2024: HK\$74,940,000).

The gross proceeds from trading of listed securities for the period amounted to approximately HK\$157,259,000 (2024: HK\$58,135,000). The realised losses and unrealised gains on financial assets at fair value through profit or loss for the six months ended 30 June 2025 is approximately HK\$1,727,000 (2024: realized gains HK\$1,418,000) and HK\$4,960,000 (2024: unrealized losses HK\$8,865,000) respectively.

MAJOR INVESTMENTS

As at 30 June 2025, the Group held financial assets at fair value through profit or loss of approximately HK\$77,861,000. Listed below are the particulars of the Group's major listed securities:

Stock Code	Name of investees	Number of shares ('000)	Approximate percentage of interest held	As at 30 June 2025				For the six months ended 30 June 2025					
				Cost (HK\$'000)	Market prices (HK\$)	Market value/fair value (HK\$'000)	Approximate percentage of investment attributable to the Group's net assets	Dividend received (HK\$'000)	Dividend cover	Sales proceeds (HK\$'000)	Realised gain/(loss) (HK\$'000)	Unrealised gain/(loss) (HK\$'000)	Fair value gain/(loss) (HK\$'000)
a) 4273	HKGB RGB 2610	80	N/A	8,298	103.85	8,308	10.45%	-	N/A	1,677	17	162	179
b) 4286	HKGB RIB 2712	80	N/A	8,032	103.65	8,292	10.43%	-	N/A	-	-	259	259
c) 700	TENCENT HOLDINGS LTD ("Tencent")	11	less than 1%	5,444	503.00	5,533	6.96%	18	5.34	2,069	302	63	365
d) 3053	CSOP HONG KONG DOLLAR MONEY MARKET ETF	4.5	N/A	5,214	1,159.80	5,219	6.57%	-	N/A	-	-	5	5
e) IBIT	ISHARES BITCOIN TRUST ETF	10.5	N/A	4,958	476.21	5,000	6.29%	-	N/A	-	-	42	42
f) 3042	CHINAAMC BITCOIN ETF (LISTED CLASS) ("ChinaAmc Bitcoin ETF")	360	N/A	4,761	13.35	4,806	6.05%	-	N/A	-	-	45	45
g) ETHA	ISHARES ETHEREUM TRUST ETF	27	N/A	3,970	148.36	4,006	5.04%	-	N/A	-	-	36	36
h) 3788	CHINA HANKING HOLDINGS LIMITED ("China Hanking")	1,700	less than 1%	1,232	2.29	3,893	4.90%	36	4.98	2,467	946	2,489	3,435
i) 2800	TRACKER FUND OF HONG KONG ("Tracker HK")	150	N/A	3,435	24.52	3,678	4.63%	29	N/A	-	-	466	466
j) 941	CHINA MOBILE LTD. ("China Mobile")	38	less than 1%	3,301	87.10	3,310	4.16%	-	N/A	3,237	46	9	55
k)	Other listed investments	N/A	N/A	46,974	N/A	25,816	32.48%	174	N/A	147,809	(3,038)	1,384	(1,654)
Total		N/A	N/A	95,619	N/A	77,861	97.96%	257	N/A	157,259	(1,727)	4,960	3,233

The net fair value gains on listed investments totalled to approximately HK\$3,233,000 for the six months ended 30 June 2025.

For the listed investments held as at 30 June 2025, the net fair value gains attributable to realised gains and unrealised gains were approximately HK\$1,714,000 and HK\$1,422,000 respectively. For those listed investments held but were sold during the six months ended 30 June 2025, the net fair value gains attributable to realised losses and unrealised gains were approximately HK\$3,441,000 and HK\$3,538,000. The Group had no unlisted investment during the six months ended 30 June 2025.

(a) HKGB RGB 2610

HKGB RGB 2610 is a retail green bond issued by The Government of the Hong Kong Special Administrative Region of the People's Republic of China, with the maturity date of 12 October 2026. It pays interest every 6 months and the coupon rate is based on the higher of (i) the floating rate, being the arithmetic average of the year-on-year rates of change in the Composite Consumer Price Index compiled and published by the Census and Statistics Department of HKSAR Government based on the results of the most recent Household Expenditure Survey at the relevant interest determination date (currently being the 2019/20-based Composite Consumer Price Index) for the 6 most recent preceding months, rounded to the nearest two decimal places; and (ii) the fixed rate of 4.75%.

The Investment Committee believed that investing in the green bond is a very effective way to diversify our portfolio. The effective interest rate return is comparable to, if not more favorable than, fixed deposit rates in Hong Kong. Moreover, the instrument is listed and tradable with respectable liquidity, permitting us the option to adjust our holdings depending on the situation within the equities and bond markets.

(b) HKGB RIB 2712

HKGB RIB 2712 is a retail infrastructure bond issued by The Government of the Hong Kong Special Administrative Region of the People's Republic of China, with the maturity date of 17 December 2027. It pays interest every 6 months and the coupon rate is based on the higher of (i) the floating rate, being the arithmetic average of the year-on-year rates of change in the Composite Consumer Price Index compiled and published by the Census and Statistics Department of HKSAR Government based on the results of the most recent Household Expenditure Survey at the relevant interest determination date (currently being the 2019/20-based Composite Consumer Price Index) for the 6 most recent preceding months, rounded to the nearest two decimal places; and (ii) the fixed rate of 3.50%.

The Investment Committee believes that while the latest retail infrastructure bond offering by the HKSAR Government offers a slightly lower coupon rate than the previous issue, it is still an attractive, essentially risk-free investment during an uncertain investment environment and offers the company flexibility in reshuffling its portfolio should suitable opportunities arise.

(c) Tencent

Tencent is a world-leading internet and technology company that develops innovative products and services to improve the quality of life of people around the world. Tencent also publishes some of the world's most popular video games and other high-quality digital content, enriching interactive entertainment experiences for people around the globe. Tencent also offers a range of services such as cloud computing, advertising, financial technology, and other enterprise services. The unaudited consolidated profit attributable to owners of Tencent for the six months ended 30 June 2025 was approximately RMB103,449 million. As at 30 June 2025, the audited consolidated net asset value attributable to owners of Tencent was approximately RMB1,114,639 million.

The Investment Committee noted that Tencent latest interim results continue to deliver respectful profit growth on the back of booming demand in advertising and AI driven improvement to their advertising platform. Revenue from core business of VAS achieved a very satisfactory growth of 16% as well in first half. Absence of announcing new repurchases scheme did not affect the short-term price performance as well.

The Investment Committee believes Tencent remain one of the leading tech names that are less vulnerable to the ever-changing trend in the industry with its core revenue of social media platform active users and online games division relatively much more stable than other tech peers. In addition, artificial intelligence aspect should continue to help Tencent to achieve higher margin in its business and be one of the stimuluses for further share price outperformance ahead.

(d) CSOP Hong Kong Dollar Money Market ETF

The investment objective of the CSOP Hong Kong Dollar Money Market ETF is to invest in short-term deposits and high-quality money market investments. This Sub-Fund seeks to achieve a return in Hong Kong Dollars in line with prevailing money market rates. In order to achieve the investment objective of the Sub-Fund, the Manager will invest all, or substantially all (i.e. at least 70%), of the assets of the Sub-Fund in Hong Kong Dollar (“**HKD**”) – denominated and settled short-term deposits and short-term and high quality money market instruments issued by governments, quasi-governments, international organisations and financial institutions, including debt securities, commercial papers, short-term notes, certificates of deposits and commercial bills. Short-term and high-quality debt securities invested by the Sub-Fund include but are not limited to government bonds and fixed and floating rate bonds, with the maximum level for up to 80% of the Net Asset Value of the Sub-Fund (any debt securities invested with a remaining maturity of no more than 397 days, or two years in the case of Government and other Public Securities).

Besides investments in the local bonds, the Investment Committee believes our exposure in Hong Kong dollar money fund ETF is another effective way to diversify some of our higher beta exposure in our portfolio and offer flexibility in switching to other blue chips or high paying dividend stocks if timing is correct.

(e) iShares Bitcoin Trust ETF

iShares Bitcoin Trust ETF seeks to reflect generally the performance of the price of bitcoin. The Shares are intended to constitute a simple means of making an investment similar to an investment in bitcoin rather than by acquiring, holding and trading bitcoin directly on a peer-to-peer or other basis or via a digital asset platform. The Shares have been designed to remove the obstacles represented by the complexities and operational burdens involved in a direct investment in bitcoin, while at the same time having an intrinsic value that reflects, at any given time, the investment exposure to bitcoin owned by the Trust at such time, less the Trust's expenses and liabilities. Although the Shares are not the exact equivalent of a direct investment in bitcoin, they provide investors with an alternative method of achieving investment exposure to bitcoin through the securities market, which may be more familiar to them. An investment in Shares is backed by bitcoin held by the Bitcoin Custodian on behalf of the Trust.

In seeking suitable investments for gaining exposure to the cryptocurrency sector, in particular for the bitcoin, the Investment Committee believes ETF trust that hold physical bitcoins in authorized institutions, rather than synthetic ETF that mirror performance by holding futures on bitcoin, is much more beneficial to company interest and easier to monitor. As a result, world currently largest bitcoin ETF trust, IBIT, is the most logical choice for the company to tap into the sector.

(f) ChinaAme Bitcoin ETF

The investment objective is to provide investment results that, before fees and expenses, closely correspond to the performance of bitcoin, as measured by the performance of the CME CF Bitcoin Reference Rate (APAC Variant). In seeking to achieve the Sub-Fund's investment objective, the Sub-Fund acquires and holds bitcoin directly. Up to 100% of the Sub-Fund's assets may be invested in bitcoin. Transactions of bitcoin by the Sub-Fund will be conducted through SFC-licensed virtual asset trading platform(s). The Sub-Fund does not invest in bitcoin futures nor will it gain indirect exposure to bitcoin via other exchange-traded products. The Sub-Fund will not enter into futures contracts or any financial derivative instruments. There is no leveraged exposure to bitcoin at the level of the Sub-Fund.

Similar to the exposure in IBIT, the Investment Committee believes this particular ETF with its sub-fund holding actual bitcoin assets is the most cost effective way for the Company to have similar exposure in the Hong Kong market.

(g) iShares Ethereum Trust ETF

The Trust seeks to reflect generally the performance of the price of ether. The Shares are intended to constitute a simple means of making an investment similar to an investment in ether rather than by acquiring, holding and trading ether directly on a peer-to-peer or other basis or via a digital asset platform. The Shares have been designed to remove the obstacles represented by the complexities and operational burdens involved in a direct investment in ether, while at the same time having an intrinsic value that reflects, at any given time, the investment exposure to the price of ether owned by the Trust at such time, less the Trust's expenses and liabilities. Although the Shares are not the exact equivalent of a direct investment in ether, they provide investors with an alternative method of achieving investment exposure to the price of ether through the securities market, which may be more familiar to them. An investment in Shares is backed by ether held by the Ether Custodian on behalf of the Trust.

While bitcoin prices have continued to reach new historical highs in first half of 2025, ether price have yet to reach its previously historical high of around USD4,800 and in fact dropped from USD3,353 to just USD2,405 in first half, despite being the second largest cryptocurrency in the world. Unlimited supply in ether versus the limited supply in bitcoin remains one of the doubts by many investors toward ether. Nonetheless, the Investment Committee believes exposure in this particular cryptocurrency could generate hefty return for the company if the market once again sort after this laggard counter relatively to bitcoin.

(h) China Hanking

China Hanking is principally engaged in the exploration, mining, processing and sale of mineral resources. The Company operates its business through three segments, namely, iron core, high-purity iron and gold. The unaudited consolidated profit attributable to owners of China Hanking for the six months ended 30 June 2025 was approximately RMB104,318,000. As at 30 June 2025, the unaudited consolidated net asset value attributable to owners of China Hanking was RMB1,528,086,000.

The Investment Committee noted that the production and operation of China Hanking remained stable with the production and sales volume of iron ore concentrate and high-purity iron were higher than those of the corresponding period of last year and the budgets of the current period. However because of the lower average selling prices per metric ton of product, this has induced the slight drop in their net profit as well as net profit margin.

China Hanking share price enjoyed a stellar growth of nearly 200% in the first half. The Investment Committee believe it could be attributed to market and investors beginning to acknowledge its value in the gold ore project in Australia. And in fact early July announcements by China Hanking stating that the disposal of stakes in the project fell through, and in turn they are looking to spin off the assets into a separate listing, have generated even more market interest in this counter, with unlocking a full potential value in the pipeline.

(i) Tracker HK

Tracker HK is an exchange-traded fund designed to provide investment results that closely correspond to the performance of HSI, in which the manager seeks to achieve Tracker's investment objective by investing all, or substantially all, of Tracker's assets in shares in the constituent companies of the Index in substantially the same weightings as they appear in HSI. The Investment Committee noted that as one of our longest holding in the portfolio, Tracker HK has provided the Company steady and safe returns in first half of 2025 with the index up some 4000 points.

(j) China Mobile

China Mobile is the leading telecommunications services provider in the mainland of China, providing full communications services in all 31 provinces, autonomous regions and directly-administered municipalities throughout the mainland of China and in Hong Kong, and boasts a world-class telecommunications operator with the world's largest network and customer base, a leading position in profitability and market value ranking. Its businesses primarily consist of mobile voice and data business, wireline broadband and other information and communications services. The unaudited consolidated profit attributable to owners of China Mobile for the six months ended 30 June 2025 was approximately RMB84,235 Million. As at 30 June 2025, the unaudited consolidated net asset value attributable to owners of China Mobile was approximately RMB1,429,671 Million.

The Investment Committee noted that China Mobile continue to deliver yet another set of stellar results in its latest interim results, with net profit increased by 5% with their management once again been able to uplift their net profit margin despite the complex and challenging operating environment. In addition as promised before, they continue to gradually raise the dividend payout ratio as means to create more value for their shareholders.

In their prospects, their management have cited in their outlook about demand in traditional communications reaching saturation. But nevertheless, the digital intelligence era presents broader opportunities with AI is evolving rapidly with technology evolution and industrial application progressing in tandem. The Investment Committee concurred with their insight and maintained our view that China Mobile is the best pick in telecommunication sector that offer extremely steady dividend yield as well.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

As at 30 June 2025, the Group maintained bank and cash balances of approximately HK\$1,762,000 (31 December 2024: HK\$3,374,000) which were mainly denominated in Hong Kong dollars. The Group will monitor the exposure and take prudent measures when necessary.

As at 30 June 2025 and 31 December 2024, the Company did not have any interest-bearing liabilities.

As at 30 June 2025, the Group had net assets of approximately HK\$79,475,000 (31 December 2024: HK\$77,639,000). The Group had no borrowings or long-term liabilities as at 30 June 2025 and 31 December 2024.

CAPITAL STRUCTURE

As at 30 June 2025, the Company's total number of issued shares was 346,897,482 (31 December 2024: 346,897,482 shares) at HK\$0.04 each.

On 1 December 2023, the Company entered into an underwriting agreement with Lego Securities Limited in respect of the rights issue up to 173,448,741 rights share at HK\$0.12 each to certain qualifying shareholders. The intended and actual use of proceeds from the Right Issue certain was for general working capital and investments.

The transaction was completed in February 2024. A total of 173,448,741 shares were issued. The gross and net proceeds was approximately HK\$20,814,000 and HK\$19,504,000 respectively. The net price was approximately HK\$0.11 per rights share.

EVEBTS AFTER THE REPORTING PERIOD

Change in major shareholder of the Company and Mandatory conditional cash offer

On 13 June 2025, Mr Lam Shu Chung ("**Vendor A**") and Longling Capital Ltd. (the "**Offeror**") entered into a sale and purchase agreement (the "**SP Agreement A**"), pursuant to which Vendor A has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 95,706,441 Shares (being all the Shares held by Vendor A immediately before completion of the SP Agreement A), representing approximately 27.59% of the total number of Shares in issue at a total cash consideration of HK\$36,368,447.58 (equivalent to HK\$0.38 per Share). On 18 June 2025, Like Capital Limited ("**Vendor B**") and the Offeror entered into a sale and purchase agreement (the "**SP Agreement B**"), pursuant to which Vendor B has conditionally agreed to sell and the Offeror has conditionally agreed to purchase 25,556,574 Shares (being all the Shares held by Vendor B immediately before completion of the SP Agreement B), representing approximately 7.37% of the total number of Shares in issue, at a total cash consideration of HK\$9,711,498.12 (equivalent to HK\$0.38 per Share). Completion of the SP Agreement A and SP Agreement B took place on 24 June 2025 whereupon the Offeror became interested in approximately 34.96% of the Company. As a result, the Offeror becomes the controlling shareholder of the Company.

On 24 June 2025, the Company and the Offeror made a joint announcement, pursuant to which, Kingston Securities Limited, for and on behalf of the Offeror, made a mandatory conditional cash offer (the “**Offer**”) to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the Hong Kong Code on Takeovers and Mergers. As the condition of the Offer has not been satisfied, the Offeror and the Company jointly announced that the Offer lapsed on 18 August 2025 and there would be no extension or revision of the Offer.

Details of the Offer were set out in the joint announcements of the Company and the Offeror dated 24 June 2025, 15 July 2025, 28 July 2025 and 18 August 2025, and the composite document (the “**Composite Document**”) of the Company and the Offeror dated 28 July 2025.

Proposed Change of Company Name

Reference is made to (a) the Composite Document dated 28 July 2025 in relation to, among others, the Offer, and (b) the announcements of the Company dated 30 July 2025 and 13 August 2025 and the circular of the Company dated 27 August 2025 in relation to the proposed change of company name.

As disclosed in the Composite Document and the announcement dated 30 July 2025, the Board proposed to change the English name of the Company from “China Financial Leasing Group Limited” to “CAI Corp” and adopt the Chinese name “CAI控股” as its new dual foreign name to replace its existing Chinese name “中國金融租賃集團有限公司” (the “**Initial Proposed Change of Company Name**”). As further disclosed in the announcement dated 13 August 2025, following further consideration having regard to the business and development of the Company, the Board proposed to change the English name of the Company from “China Financial Leasing Group Limited” to “Long Corp” and adopt the Chinese name “Long 集團” as its new dual foreign name to replace its existing Chinese name “中國金融租賃集團有限公司” (the “**New Proposed Change of Company Name**”) as opposed to the Initial Proposed Change of Company Name.

The New Proposed Change of Company Name is subject to the satisfaction of the following conditions:

- (i) the passing of a special resolution by the Shareholders approving the New Proposed Change of Company Name at an extraordinary general meeting of the Company (the “**EGM**”); and
- (ii) the Registrar of Companies in the Cayman Islands (the “**Registrar**”) approving the New Proposed Change of Company Name.

Subject to the satisfaction of the conditions set out above, the New Proposed Change of Company Name will take effect from the date on which the Registrar enters the new English name and dual foreign name of the Company on the register of companies maintained by the Registrar in place of the existing name and issues the certificate of incorporation on change of name. Thereafter, the Company will carry out all necessary registration and/or filing procedures with the Companies Registry in Hong Kong.

The EGM will be convened and held by the Company for the Shareholders to consider and, if thought fit, pass a special resolution regarding the New Proposed Change of Company Name.

EMPLOYEES

As at 30 June 2025, the Group had 2 employees. Total salaries (excluding directors' remuneration) for the six months ended 30 June 2025 was approximately HK\$180,000 (2024: HK\$180,000).

CHARGES ON GROUP'S ASSETS

As at 30 June 2025 and 31 December 2024, there were no charges on the Group's assets.

CONTINGENT LIABILITIES

As at 30 June 2025, no contingent liabilities were noted by the Directors of the Company (31 December 2024: nil).

SIGNIFICANT INVESTMENTS

As at 30 June 2025, the significant investments of the Group are included in the Management Discussion and Analysis under the section headed "Major Investments".

INTERIM DIVIDEND

The board of Directors resolved not to declare any payment of an interim dividends for the six months ended 30 June 2025 (2024: nil).

DIRECTORS' INTERESTS IN SHARES

As at 30 June 2025, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares (as defined in the Securities and Futures Ordinance (the "SFO")) and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2025, according to the information publicly disclosed, persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, are set out below:

Name of shareholders	Type of interests	Position	Number of ordinary shares held	Approximate percentage of the Company's total number of issued shares
Longling Capital Limited (Note 1)	Beneficial owner	Long	121,263,015	34.96%
Cai Wensheng (Note 1)	Interest in a controlled corporation	Long	121,263,015	34.96%

Note:

1. Longling Capital Limited is a private company directly wholly owned by Cai Wensheng.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiary purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2025.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report ("CG Code").

During the six months ended 30 June 2025, the Company was in compliance with the code provisions set out in the CG Code.

In the opinion of the Directors, the Company was in compliance with the code provisions set out in the CG Code during the six months ended 30 June 2025.

AUDIT COMMITTEE

The Company's audit committee (the "**Audit Committee**") was established with written terms of reference in compliance with the Listing Rules to review and provide supervision over the Group's financial reporting process and internal controls. The Audit Committee comprises four independent non-executive Directors, namely, Mr. Hui Yat On (chairman of the Audit Committee), Mr. Chan Pak Lam, Tom, Dr. Lau Kin Shing, Charles and Ms. Liu Min. The Audit Committee has reviewed the unaudited condensed interim financial statements of the Group for the six months ended 30 June 2025.

For and on behalf of the Board
CHINA FINANCIAL LEASING GROUP LIMITED
Lui Cheuk Hang Henri
Executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the board of Directors of the Company comprises Mr. Lui Cheuk Hang Henri and Mr. Chiu Tak Wai as executive Directors, Mr. Hui Yat On, Mr. Chan Pak Lam, Tom, Dr. Lau Kin Shing, Charles and Ms. Liu Min as independent non-executive Directors.