華富建業國際金融有限公司

QUAM PLUS INTERNATIONAL FINANCIAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 952)

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

The board of directors (the "Board" or "Directors") of Quam Plus International Financial Limited (the "Company") presents the unaudited consolidated results of the Company and its subsidiaries (together, the "Group") for the six months ended 30 June 2026, together with the comparative figures, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	**Six months ended 30 June 2026** ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Fee and commission income	4	**65,693**	65,561
Interest income			
— Calculated using the effective interest method	4	**50,175**	47,428
— Calculated using other methods	4	**41,654**	46,801
Net investment (loss)/gain	4	**(100,544)**	27,471
Total revenue	4	**56,978**	187,261

	Notes	**Six months ended 30 June 2026** *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Other loss, net	5	**(15,432)**	(12,528)
Direct costs		**(40,861)**	(42,504)
Staff costs	6	**(75,907)**	(74,160)
Depreciation and amortisation	6	**(7,038)**	(8,743)
Expected credit loss ("ECL") net reversal		**113,198**	9,362
Loss on fair value change of investment properties		**—**	(14,040)
Finance costs			
— Interest on borrowings		**(12,716)**	(22,004)
— Interest on lease liabilities		**(800)**	(1,029)
Other operating expenses	7	**(16,768)**	(19,244)
Share of result of a joint venture		**405**	—
Profit before tax	6	**1,059**	2,371
Tax (expenses)/credit, net	8	**(87)**	152
Net profit attributable to equity holders of the Company		**972**	2,523
Earnings per share for net profit attributable to equity holders of the Company		***HK cent(s)***	*HK cent(s)*
— Basic and diluted	9	**0.02**	0.04

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June 2026	Six months ended 30 June 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net profit attributable to equity holders of the Company	**972**	2,523
Other comprehensive income including reclassification adjustments		
Item that may be reclassified subsequently to profit or loss		
— Exchange gain on translation of financial statements of foreign operations	**106**	1,025
Other comprehensive income including reclassification adjustments and net of tax	**106**	1,025
Total comprehensive income attributable to equity holders of the Company	**1,078**	3,548

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	As at 30 June 2026 Current HK$'000 (Unaudited)	Non-current HK$'000 (Unaudited)	Total HK$'000 (Unaudited)	As at 31 December 2025 Current HK$'000 (Audited)	Non-current HK$'000 (Audited)	Total HK$'000 (Audited)
ASSETS							
Cash and cash equivalents		**128,597**	**—**	**128,597**	112,189	—	112,189
Bank balances held on behalf of clients		**1,119,142**	**—**	**1,119,142**	1,020,075	—	1,020,075
Pledged bank deposits		**—**	**12,978**	**12,978**	—	10,184	10,184
Financial assets held for trading		**593,708**	**30,745**	**624,453**	471,712	30,707	502,419
Financial assets not held for trading		**130,478**	**52,549**	**183,027**	130,478	51,444	181,922
Loans to margin clients	11	**513,116**	**—**	**513,116**	532,264	—	532,264
Credit loans	12	**321,062**	**1,901**	**322,963**	320,160	1,901	322,061
Accounts receivable	13	**469,422**	**—**	**469,422**	333,296	—	333,296
Prepayments, deposits and other receivables		**22,483**	**—**	**22,483**	53,751	—	53,751
Investment properties	14	**—**	**563,940**	**563,940**	—	563,940	563,940
Interest in a joint venture		**—**	**873**	**873**	—	—	—
Goodwill and other intangible assets		**—**	**15,400**	**15,400**	—	15,461	15,461
Other assets		**—**	**18,226**	**18,226**	—	12,586	12,586
Property and equipment		**—**	**42,365**	**42,365**	—	47,406	47,406
Tax recoverables		**8,798**	**—**	**8,798**	8,582	—	8,582
Deferred tax assets		**—**	**13,534**	**13,534**	—	13,534	13,534
TOTAL ASSETS		**3,306,806**	**752,511**	**4,059,317**	2,982,507	747,163	3,729,670
LIABILITIES AND EQUITY							
Liabilities							
Bank and other borrowings		**360,603**	**117,129**	**477,732**	369,798	78,180	447,978
Accounts payable	15	**1,534,334**	**—**	**1,534,334**	1,255,222	—	1,255,222
Contract liabilities		**4,507**	**—**	**4,507**	4,687	—	4,687
Lease liabilities		**9,920**	**15,450**	**25,370**	9,578	20,537	30,115
Accruals and other payables		**320,873**	**—**	**320,873**	299,379	—	299,379
Deferred tax liabilities		**—**	**2,560**	**2,560**	—	2,560	2,560
TOTAL LIABILITIES		**2,230,237**	**135,139**	**2,365,376**	1,938,664	101,277	2,039,941
Equity							
Share capital				**20,657**			20,657
Reserves				**1,673,284**			1,669,072
TOTAL EQUITY				**1,693,941**			1,689,729
TOTAL LIABILITIES AND EQUITY				**4,059,317**			3,729,670
Net current assets				***1,076,569***			*1,043,843*

NOTES TO THE INTERIM RESULTS

For the six months ended 30 June 2026

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2026 (the "Interim Financial Statements") have been prepared in accordance with accounting principles generally accepted in Hong Kong and complies with HKAS 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and with applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURE

The accounting policies and methods of computation used in the preparation of the Interim Financial Statements are consistent with those presented in the Group's annual financial statements for the year ended 31 December 2025, except for the following amendment to HKFRS Accounting Standards issued by the HKICPA was required to be adopted by the Group effective from 1 January 2026:

- Amendments to HKFRS 9 and HKFRS 7 — Amendments to the Classification and Measurement of Financial Instruments
- Amendments to HKFRS 9 and HKFRS 7 — Contracts Referencing Nature-dependent Electricity
- Annual Improvements to HKFRS Accounting Standards — Volume 11

The adoption of the amended HKFRS Accounting Standards does not have significant impact on the Group's Interim Financial Statements. The Group has not applied any new and amended standard or interpretation that is not yet effective for the current accounting period.

3. SEGMENT INFORMATION

The following is an analysis of the segment revenue and segment profit or loss:

	Corporate finance *HK$'000*	Asset management *HK$'000*	Brokerage *HK$'000*	Interest income *HK$'000*	Investment *HK$'000*	Others *HK$'000*	Total *HK$'000*
Six months ended 30 June 2026 (Unaudited)							
Segment revenue							
Fee and commission income	**6,620**	**11,674**	**45,696**	**—**	**—**	**1,703**	**65,693**
Interest income	**—**	**—**	**57,221**	**34,608**	**—**	**—**	**91,829**
Net investment loss	**—**	**—**	**—**	**—**	**(100,544)**	**—**	**(100,544)**
Segment revenue from external customers	**6,620**	**11,674**	**102,917**	**34,608**	**(100,544)**	**1,703**	**56,978**
Inter-segment revenue	**600**	**1,937**	**21**	**—**	**—**	**157**	**2,715**
Reportable segment revenue	**7,220**	**13,611**	**102,938**	**34,608**	**(100,544)**	**1,860**	**59,693**
Reportable segment profit/(loss)	**(3,201)**	**3,154**	**3,580**	**154,663**	**(152,657)**	**(2,460)**	**3,079**
Six months ended 30 June 2025 (Unaudited)							
Segment revenue							
Fee and commission income	5,152	13,257	44,528	—	—	2,624	65,561
Interest income	—	—	63,973	30,256	—	—	94,229
Net investment gain	—	—	—	—	27,471	—	27,471
Segment revenue from external customers	5,152	13,257	108,501	30,256	27,471	2,624	187,261
Inter-segment revenue	730	1,260	24	—	—	114	2,128
Reportable segment revenue	5,882	14,517	108,525	30,256	27,471	2,738	189,389
Reportable segment profit/(loss)	(3,524)	1,832	21,856	22,746	(34,545)	(3,500)	4,865

The aggregated results of the Group's operating segments are reconciled to key financial figures presented in the condensed consolidated financial statements as follows:

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Reportable segment revenue	**59,693**	189,389
Elimination of inter-segment revenue	**(2,715)**	(2,128)
Total revenue	**56,978**	187,261
Reportable segment profit	**3,079**	4,865
Share of result of a joint venture	**405**	—
Unallocated corporate expenses	**(2,425)**	(2,494)
Profit before tax	**1,059**	2,371

Segment assets and liabilities are not presented as they are not regularly reviewed by the chief operating decision-makers.

Geographical information

The Group's operations are substantially located in Hong Kong and substantiating all non-current assets of the Group (excluding financial instruments and deferred tax assets) are located in Hong Kong, except for investment properties which are located in the United States of America ("U.S."). Therefore, no detailed analysis of geographical information is presented.

The Group's customer with whom transactions have exceeded 10% of the Group's revenue (excluding net investment loss/gain) is as follows:

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Customer A*	**28,137**	27,226

* Revenue from this customer, representing a group of entities known to be under common control, is attributable to interest income segment, asset management segment and brokerage segment during the six months ended 30 June 2026 and 2025.

4. REVENUE

	Six months ended 30 June 2026 *HK$'000* (Unaudited)	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Corporate finance business		
Fee and commission income: (note (i))		
— Placing and underwriting commission income	**1**	1,199
— Financial and compliance advisory services fee income	**6,619**	3,953
	6,620	5,152
Asset management business		
Fee and commission income: (note (i))		
— Management fee, performance fee and service fee income	**11,674**	13,257
Brokerage business		
Fee and commission income: (note (i))		
— Commission on dealings in securities		
— Hong Kong securities	**16,154**	15,535
— Other than Hong Kong securities	**2,910**	2,035
— Commission on dealings in futures and options contracts	**15,036**	14,756
— Handling, custodian and other service fee income	**11,596**	12,202
	45,696	44,528
Interest income business		
Interest income calculated using the effective interest method: (note (ii))		
— Interest income from credit loans and bonds	**33,025**	29,173
— Interest income from cash clients receivables and initial public offering loans	**1,954**	2,085
— Interest income from bank deposits held on behalf of clients	**10,896**	13,932
— Interest income from house money bank deposits and others	**4,300**	2,238
Interest income calculated using other methods: (note (ii))		
— Interest income from loans to margin clients	**40,684**	45,209
— Interest income from others	**970**	1,592
	91,829	94,229

	Six months ended 30 June 2026 HK$'000 (Unaudited)	Six months ended 30 June 2025 HK$'000 (Unaudited)
Investment and other businesses		
Fee and commission income: (note (i))		
— Financial media service fee income	**1,703**	2,624
Net investment (loss)/gain: (note (ii))		
— Net realised and unrealised (loss)/gain on financial assets measured at fair value through profit or loss	**(103,454)**	23,289
— Dividend income	**2,910**	4,182
	(98,841)	30,095
Total revenue	**56,978**	187,261

Notes:

(i) Revenue arising from contracts with customers within the scope of HKFRS 15.

(ii) Revenue from other sources.

5. OTHER LOSS, NET

	Notes	**Six months ended 30 June 2026** *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Changes in net asset value attributable to other holders of consolidated investment funds		**(12,505)**	(8,417)
Corporate guarantee		**(3,958)**	(4,029)
Exchange gain/(loss), net		**893**	(1,395)
Net loss on modification of credit loans	(a)	**—**	(7,834)
Gain on disposal of investment properties	(b)	**—**	9,012
Sundry income		**138**	135
		(15,432)	(12,528)

Notes:

(a) During six months ended 30 June 2025, the Group agreed with certain debtors to modify the terms of the credit loans, including the maturity date and settlement schedule. This constituted modification of financial assets under HKFRS 9 *Financial Instruments* ("HKFRS 9"), resulting in net loss on modification of HK$7,834,000, which had been recognised in the condensed consolidated statement of profit or loss.

(b) During six months ended 30 June 2025, the Group completed disposal one of investment properties located in U.S.. For details, please refer to note 14.

6. PROFIT BEFORE TAX

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Profit before tax is arrived at after charging:		
Staff costs		
— Fees, salaries, allowances, bonuses and benefits in kind	**67,156**	67,411
— Employee sales commission	**3,060**	2,219
— Retirement benefits scheme contributions	**1,851**	1,949
— Other staff benefits	**706**	588
— Share-based compensation expenses		
— Share option scheme	**3,134**	1,993
	75,907	74,160
Depreciation and amortisation		
— Other intangible assets	**61**	686
— Property and equipment	**6,977**	8,057
	7,038	8,743

7. OTHER OPERATING EXPENSES

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Auditor's remuneration	**1,185**	1,225
General office expenses	**2,220**	2,780
Insurance	**1,712**	1,762
Legal and professional fee	**3,155**	2,283
Repair and maintenance	**1,520**	1,974
Short-term leases, rent and rates and properties management fee	**3,016**	5,494
Travelling and transportation expenses	**1,020**	1,297
Others	**2,940**	2,429
	16,768	19,244

8. TAX EXPENSES/(CREDIT), NET

The Group is subject to Hong Kong Profits Tax. Under the two-tiered profits tax rates regime, the first HK$2 million of assessable profits of qualifying entity is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The profits of group entities not qualifying for two-tiered profits tax rates regime continued to be taxed at a flat rate of 16.5%.

Taxation for subsidiaries operating in other jurisdictions is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

	Six months ended 30 June 2026 ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Current tax — Hong Kong Profits Tax		
— Under-provision in prior years	**32**	—
Current tax — Overseas tax		
— Current period	**15**	17
— Under/(over)-provision in prior years	**40**	(206)
Deferred tax	**—**	37
Tax expenses/(credit), net	**87**	(152)

9. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to equity holders of the Company is based on the followings:

(a) Basic earnings per share

Profit attributable to equity holders of the Company

	Six months ended 30 June 2026 ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
For the purpose of calculating basic earnings per share	**972**	2,523

Weighted average number of ordinary shares in issue less shares held for the share award scheme

	Six months ended 30 June 2026 *Number of shares* (Unaudited)	Six months ended 30 June 2025 *Number of shares* (Unaudited)
For the purpose of calculating basic earnings per share	**6,145,877,218**	6,145,877,218

(b) Diluted earnings per share

For the six months ended 30 June 2026 and 2025, potential dilutive ordinary shares are not included in the calculation of diluted earnings per share because they are anti-dilutive. Therefore, the diluted earnings per share equals to the basic earnings per share.

10. DIVIDENDS

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (2025: Nil).

11. LOANS TO MARGIN CLIENTS

	As at 30 June 2026 *HK$'000* (Unaudited)	As at 31 December 2025 *HK$'000* (Audited)
Loans to margin clients		
— Measured at fair value through profit or loss	**513,116**	532,264

Note:

Margin clients are required to pledge securities collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them is determined based on a comprehensive analysis including but not limited to loan-to-market and loan-to-marginable value ratios ("lending ratios"), concentration risk, illiquid collaterals and overall availability of funds. The Group exercises continuous monitoring on outstanding margin loans to see if the actual lending ratios have exceeded the pre-determined levels as a credit risk control mechanism. Any excess in the lending ratios will trigger a margin call where the clients have to make good the shortfall. As at 30 June 2026, the market value of securities pledged by margin clients to the Group as collateral was HK$8,598 million (31 December 2025: HK$9,198 million) and the Group is permitted to sell collaterals provided by clients if they fail to fulfil margin calls. Loans to margin clients are repayable on demand and bear interest at commercial rates (normally at Hong Kong Dollar Prime Rate plus a spread). As loans to margin clients are measured at fair value through profit or loss, the carrying amounts of the loans, counted on client-by-client basis, would be marked down to the market value of the clients' collaterals.

12. CREDIT LOANS

	Notes	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Credit loans, gross amount			
— Unsecured		**4,787,450**	4,691,395
— Secured	(a)	**380,369**	398,867
	(b)	**5,167,819**	5,090,262
Less: ECL provisions		**(4,844,856)**	(4,768,201)
Credit loans, net	(c)	**322,963**	322,061
Analysis of the net amount into current and non-current portions:			
Current		**321,062**	320,160
Non-current		**1,901**	1,901
		322,963	322,061

Notes:

(a) As at 30 June 2026 and 31 December 2025, the collaterals held by the Group for the secured credit loans mainly include shares of listed and private companies and assets of private companies.

(b) As at 30 June 2026, except for a gross amount of credit loans HK$23,330,000 (31 December 2025: HK$24,942,000) which bear interest at floating rate of Hong Kong Dollar Prime Rate plus 2% per annum, all remaining gross amounts bear interest at fixed rates ranging from 6% to 12% (31 December 2025: 6% to 12%) per annum.

(c) Ageing analysis of credit loans based on due date and net of ECL provisions is as follows:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Within 30 days	**21,723**	42,637
31–90 days	**—**	—
Over 90 days	**301,240**	279,424
Credit loans, net	**322,963**	322,061

13. ACCOUNTS RECEIVABLE

	Notes	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Accounts receivable from dealings in securities, futures and options contracts			
— Brokers and clearing houses	(a)	**460,188**	303,595
— Cash clients	(a)	**22,311**	35,901
Accounts receivable from asset management, corporate finance and other businesses			
— Clients and others	(a)	**16,018**	21,855
		498,517	361,351
Less: ECL provisions		**(29,095)**	(28,055)
Accounts receivable, net	(b)	**469,422**	333,296

Notes:

(a) Amounts due from brokers, clearing houses and cash clients for the dealings in securities are required to be settled on the settlement dates of their respective transactions (normally one or two business days after the respective trade dates). Amounts due from brokers and clearing houses for the dealings in futures and options contracts are repayable on demand (except for the required margin deposits for the trading of futures and options contracts). There are no credit periods granted to clients for its asset management, corporate finance and other businesses. The amounts due from cash clients after the settlement dates bear interest at commercial rates (normally at Hong Kong Dollar Prime Rate plus a higher spread than that of margin clients).

(b) Ageing analysis of accounts receivable based on due date and net of ECL provisions is as follows:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Within 30 days	**463,924**	310,211
31–90 days	**1,332**	1,134
Over 90 days	**4,166**	21,951
Accounts receivable, net	**469,422**	333,296

14. INVESTMENT PROPERTIES

	As at 30 June 2026 *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Carrying amount	**563,940**	563,940

As at 30 June 2026, the Group held one (31 December 2025: one) investment property located in the U.S.. The property is held for capital appreciation purpose and measured at fair value.

For the six months ended 30 June 2025, the Group recognised a loss on fair value change of investment properties of HK$14,040,000 in profit or loss.

During the six months ended 30 June 2025, the Group disposed an investment property to an independent third party, with carrying amount of HK$212,160,000. The disposal generated net proceeds of HK$221,172,000, resulting in a gain on disposal of HK$9,012,000. The gain on disposal had been recognised under "Other loss, net" in the condensed consolidated statement of profit or loss. The details of disposal were set out in the Company's announcement dated on 21 May 2025.

15. ACCOUNTS PAYABLE

	Notes	**As at 30 June 2026** *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Accounts payable from dealings in securities, futures and options contracts			
— Brokers and clearing houses	(a)	**168,017**	60,366
— Cash and margin clients	(a)	**1,364,391**	1,191,963
Accounts payable from other businesses			
— Clients and others		**1,926**	2,893
	(b)	**1,534,334**	1,255,222

Notes:

(a) Accounts payable to brokers, clearing houses and cash clients are repayable on demand up to the settlement dates of their respective transactions (normally one or two business days after the respective trade dates) except for the required margin deposits received from clients for their trading of futures and options contracts. Accounts payable to margin clients are repayable on demand.

(b) No ageing analysis in respect of accounts payable is disclosed as, in the opinion of the Board, the ageing analysis does not give additional value in view of the business nature.

16. EVENTS AFTER THE REPORTING PERIOD

The Group had entered into the deed of assignment to assign a credit loan to an independent third party at consideration of HK$82,478,000. Details of the transaction were set out in the Company's announcement dated 5 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Macro Environment

Hong Kong stock market review

In the first half of 2026, heightened geopolitical risks intensified volatility across global financial markets, and the Hang Seng Index ("HSI") declined by approximately 10% and reached a low of around 22,500 points towards the end of June 2026. The HSI has rebounded since then and is currently hovering around 25,000 points. Stock trading activities in the first half of 2026 remained strong though with average daily turnover reached HK$283 billion, up approximately 18% year-on-year. The average daily turnover in June reached HK$319 billion, an increase of approximately 39% year-on-year, supported by improved market sentiment from new listings and active trading under the Shanghai and Shenzhen Stock Connect.

The HSI initially extended the upward momentum from the previous year and underwent a valuation recovery, briefly reaching a four and a half year high on 29 January. However, the escalation of the U.S.-Iran conflict triggered sharp sell-offs across Asian stock markets in March, with the HSI once dropping more than 1,000 points in a single session. Technology related stocks subsequently led a structural rebound, but regulatory measures imposed on cross-border internet brokerages in May exerted renewed pressure on the market. In late June, the index recorded consecutive declines and closed below the 23,000 level, marking its low for the first half.

The initial public offering ("IPO") market remained highly active. Total funds raised reached approximately HK$210 billion, nearly doubling year-on-year, while the number of new listings hit a five-year high for the corresponding period. Fundraising was driven primarily by those of Victory Giant Technology (HuiZhou) Co., Ltd (2476.HK), Muyuan Foods Group Co., Ltd. (2714.HK) and Eastroc Beverage (Group) Co., Ltd. (9980.HK), being the top 3 IPO in fundraising size. Only 11 of over 80 IPOs in the first half ended their debut lower than the IPO price. However, we also witnessed privatisations of 8 listed companies, including the privatisation of Hang Seng Bank Limited by HSBC Holdings Plc (0005.HK).

Chinese Mainland market review

Gross Domestic Product ("GDP") grew by 4.7% year-on-year in the first half of 2026, broadly in line with the government's full-year growth target of 4.5% to 5.0%. Chinese Mainland stocks market recorded solid gains during the period, with the Shanghai Composite Index, Shenzhen Component Index, ChiNext Index and SSE Science and Technology Innovation Board 50 Index rising by 3.2%, 19.8%, 35.6% and 64.3%, respectively. Market performance was supported by continued investor interest in technology and innovation-related sectors, particularly companies benefiting from the increasing adoption of artificial intelligence ("AI"). Driven by growing demand for AI computing power, leading companies in the optical communication and semiconductor industries recorded significant valuation growth. During the period, Zhongji Innolight Co., Ltd (300308.SZ) and Cambricon Technologies Corporation Limited (688256.SS) both achieved market capitalisations exceeding RMB1 trillion, with Cambricon Technologies Corporation Limited becoming the first company listed on the Science and Technology Innovation Board to reach this milestone.

Global markets review

The prolonged U.S.-Iran conflict triggered significant volatility across global equity, currency, gold and oil markets. Gold prices surged to a historic high of approximately US$5,600 per ounce in January before retreating, briefly falling below US$4,000 per ounce in late June and declining nearly 30% from the peak. Risks surrounding the Strait of Hormuz also drove sharp fluctuations in oil prices. West Texas Intermediate crude futures once surged nearly 30% to around US$119 per barrel amid concerns over shipping disruptions, before easing as negotiations resumed. The repeated swings in oil prices heightened inflation concerns and weighed on global growth outlooks, prompting two episodes of panic selling in Asian stock markets in March.

AI semiconductor and memory sectors continued to dominate global capital flows. The Korea Composite Stock Price Index was driven to a record high by Samsung Electronics Co., Ltd. (5930.KS) and SK Hynix Inc. (0660.KS), but the launch of multiple single-stock leveraged exchange traded funds linked to chip and memory names amplified market volatility, resulting in several circuit-breaker suspensions.

In the U.S. market, despite volatility stemming from geopolitical tensions, the ongoing AI wave supported strong corporate earnings and drove major indices higher, with repeated challenges to record levels. In the first half, the S&P 500 rose 9.6%, the Nasdaq Composite advanced 12.8%, and the Dow Jones Industrial Average gained 8.9%. Memory and semiconductor sectors performed particularly strongly, with NVIDIA Corporation's (NVDA.US) market capitalisation briefly reaching US$5.5 trillion. Performance among the traditional "Magnificent Seven" diverged, with capital increasingly flowing into semiconductors and related supply-chain companies. Separately, Space Exploration Technologies Corp. (SPCX.US) priced its IPO at US$135 per share in June, raising approximately US$8 billion and setting a new record for the largest IPO in history.

Results and Overview

For the six months ended 30 June 2026, the Group reported a profit before tax of HK$1 million (interim 2025: HK$2 million). The Group's total revenue decreased to HK$57 million in interim 2026 from HK$187 million in interim 2025, representing a year-on-year decline of HK$130 million. It is mainly driven by a net investment loss of HK$101 million (interim 2025: net gain of HK$27 million). Excluding the net investment loss/gain recorded as part of our revenue, adjusted revenue was maintained at HK$158 million (interim 2025: HK$160 million). The Group's revenue from core operating business was HK$121 million (interim 2025: HK$127 million), demonstrating resilience despite a year-on-year decrease of 5%.

Business Review

The first half of 2026 presented both opportunities and challenges for the Group. Despite continued market volatility and an evolving operating environment, we remained focused on executing our strategic initiatives, strengthening our core businesses and capturing growth opportunities across brokerage, asset management and corporate finance. The brokerage business achieved satisfactory performance, supported by improving market sentiment and increased market activity. Fee and commission income remained resilient as investor participation improved and trading activities increased. Our continued efforts to strengthen customer relationships, expand market coverage and enhance service quality contributed to the growth of our brokerage activities. Our asset management business delivered stable performance during the period. Building on the successful launch of our External Asset Management ("EAM") platform in 2024, we further expanded our distribution capabilities and enhanced our ability to provide bespoke wealth management and investment solutions to a growing and diversified client base. As a result, assets under management ("AUM") recorded growth during the first half of 2026, reflecting increasing client confidence and the effectiveness of our platform-driven business strategy. In our corporate finance business, we continued to build a healthy pipeline of mandates and advisory opportunities, benefiting from increased fundraising and corporate activity in Hong Kong's capital markets. We have established promising IPO sponsorship pipelines that supports our future growth. Leveraging our professional expertise and established market network, we remained well positioned to capitalise on opportunities arising from improving market conditions. To support our ongoing business expansion, the Group continued to strengthen its banking relationships and secure adequate financing facilities, thereby enhancing financial flexibility and supporting future growth initiatives. At the same time, we maintained disciplined cost management measures and continued to improve operational efficiency through process optimisation, technology upgrades and resource allocation initiatives.

Financial Review

The following table summarised the revenue breakdown of the Group's principal businesses. Revenue generated by core operating business slightly decreased by 5% compared to interim 2025.

	Interim 2026 ***HK$ million***	**Interim 2026** ***Proportion***	Interim 2025 *HK$ million*	Interim 2025 *Proportion*	**Favorable/ (unfavorable) *change***
Revenue					
Corporate finance business	**6**	**5%**	5	4%	**20%**
Asset management business	**12**	**10%**	13	10%	**(8%)**
Brokerage business	**46**	**38%**	45	36%	**2%**
Interest income from brokerage business	**57**	**47%**	64	50%	**(11%)**
	103		109		
Total revenue for core operating business	**121**	**100%**	127	100%	**(5%)**
Interest income from non-brokerage business	**35**		30		**17%**
Financial media service fee income	**2**		3		**(33%)**
Net investment (loss)/gain	**(101)**		27		**(474%)**
Total revenue	**57**		187		**(70%)**

Corporate finance business

The Group's corporate finance business primarily comprises sponsorship for listing, financial advisory, financing consultation service and equity capital market. Revenue from the corporate finance business increased from HK$5 million in interim 2025 to HK$6 million in interim 2026. As at 30 June 2026, we have submitted 2 listing applications as sponsor and have been mandated for a few more IPOs. HK$5 million IPO sponsorship fee income has been recognised in interim 2026 (interim 2025: Nil).

Asset management business

The Group's revenue from asset management business in interim 2026 was maintained at HK$12 million (interim 2025: HK$13 million).

Brokerage business

Revenue from brokerage business has increased by 2% from HK$45 million in interim 2025 to HK$46 million in interim 2026. The increase was mainly driven by increased securities trading activities in Hong Kong and overseas markets in interim 2026. Income from commission dealings in securities, futures and options contracts increased by 6% from HK$32 million in interim 2025 to HK$34 million in interim 2026, mainly supported by robust investor interest in technology and AI-related sectors, increased equity fund-raising activities, and higher market volatility.

Interest income from brokerage business

The interest income from brokerage business decreased by 11% from HK$64 million in interim 2025 to HK$57 million in interim 2026. The decline was mainly driven by decreased margin loan interest income, resulting from both lower average outstanding loans to margin clients and reduction in Hong Kong Dollar Prime Rate.

Interest income from non-brokerage business

Interest income from non-brokerage business has increased by 17% from HK$30 million in interim 2025 to HK$35 million in interim 2026. This growth was primarily driven by newly subscribed unlisted debt securities in the second half of 2025.

Financial media service fee income

Financial media service fee income has dropped from HK$3 million in interim 2025 to HK$2 million in interim 2026.

Net investment (loss)/gain

The net investment loss of HK$101 million was incurred in interim 2026 (interim 2025: net gain of HK$27 million). The loss primarily composed of net loss on proprietary investments of HK$45 million (interim 2025: net gain of HK$63 million) and mark-to-market loss on margin loans of HK$56 million (interim 2025: HK$36 million). The net loss on proprietary investments mainly included: (i) net realised and unrealised loss of HK$61 million (interim 2025: Nil) arising from investment in a listed equity security which was received as partial settlement of loan due from a former connected party in interim 2026, due to a decline in market price; and (ii) a fair value loss of HK$15 million (interim 2025: gain of HK$22 million) on an unlisted equity security. These non-cash adverse effects were partially offset by a gain of HK$29 million (interim 2025: HK$29 million) generated from the Group's investment in the Quam Plus Greater China UCITS Fund, which continued to deliver strong performance in interim 2026.

Other loss, net

In interim 2026, other loss was HK$15 million (interim 2025: HK$13 million), representing an increase in other loss of 15% year-on-year. The increase in other loss in interim 2026 was mainly due to (i) increased loss on changes in net asset value attributable to other holders of consolidated investment funds from HK$8 million in interim 2025 to HK$13 million in interim 2026; and (ii) absence of gain on disposal of investment properties in interim 2026 (interim 2025: HK$9 million), which were partially offset by absence of modification loss in interim 2026, compared with modification loss of HK$8 million recognised in interim 2025 as a result of modifying the terms of credit loans between the Group and the relevant counterparties.

Expenses

The Group's direct costs decreased by 5% year-on-year, from HK$43 million in interim 2025 to HK$41 million in interim 2026. Staff costs slightly increased by 3% year-on-year from HK$74 million in interim 2025 to HK$76 million in interim 2026, mainly attributable to the additional share option expenses recognised in relation to share options granted in September 2025. Through strategic operational efficiency initiatives, we achieved appropriate cost reduction across various expense categories. Other operating expenses decreased substantially by 11% year-on-year from HK$19 million in interim 2025 to HK$17 million in interim 2026 as a result of resource streamlining. Finance costs on bank and other borrowings decreased by 41% from HK$22 million in interim 2025 to HK$13 million in interim 2026, attributable to declining market interest rates and our effective debt management strategies.

Impairment loss

The Group maintained its prudent approach to credit risk management through continuous loan portfolio monitoring and strategic recovery actions. In interim 2026, the Group recognised ECL net reversal of HK$113 million (interim 2025: HK$9 million) and were composed of (i) ECL net reversal of HK$99 million (interim 2025: HK$4 million) to credit loans, unlisted debt securities and other receivable due from former connected parties; (ii) ECL net reversal of HK$30 million (interim 2025: HK$7 million) to credit loans and unlisted debt securities to independent third parties; and (iii) ECL net charge of HK$16 million (interim 2025: HK$2 million) on accounts receivable.

In the following, the Group listed out the loans with material ECL movement, which with reference to over 1% of the Group's total assets of HK$4,059 million as at 30 June 2026 (i.e. over HK$40 million). The Group considers that such materiality level is appropriate for this purpose. As such, out of total ECL net reversal of HK$113 million, a reversal of HK$77 million for credit loans to a former connected party which was explained below.

Details of credit loans to a former connected party with material ECL movement in interim 2026

The borrower below is a subsidiary of Tohigh Holdings Co., Ltd.* (通海控股有限公司) which is a former connected party of the Company.

Identity of borrower	**Outstanding principal amount as at 30 June 2026** *HK$ million*	**Net carrying amount as at 30 June 2026** *HK$ million*	**Reversal of ECL in interim 2026** *HK$ million*	**Annual interest rate**	**Loan granted date**	**Tenor**	**Latest status of repayment as at 30 June 2026**
Minyun Limited	—	—	77	7.88%	5 December 2019	Within 2 years	Fully settled

No additional loan was granted to the above former connected party. The reversal of ECL was due to the settlement of the outstanding loan through transfer of assets.

* denotes an English translation of a Chinese name and is for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

(a) Reasons for the impairment

The Group adopted ECL assessment requirements set out in HKFRS 9 in determining the impairment loss allowance for its loans.

In accordance with HKFRS 9, the Group has taken into account the following factors in assessing the impairment of the outstanding credit loans and unlisted debt securities:

(i) Probability of default — the likelihood that borrowers may fail to repay the loans. The Group performs financial due diligence, evaluates macro-environment, reviews the latest announcements published by the borrowers, and considers their repayment history;

(ii) Loss given default — the expected cash shortfall between the contractual cash flows due to the Group and the cash flows that the Group expects to receive. The Group also considers the value of any collateral pledged as security for the loans, if applicable; and

(iii) Forward-looking information — macroeconomic indicators, such as GDP growth, that may affect the recoverability of the loans.

The Group regularly monitors the effectiveness of the criteria used to identify significant increases in credit risk and revises them, where appropriate, to ensure that such increases are identified before the related amounts become past due.

(b) Key assumptions and basis in determining the amount of the impairment

For the purpose of impairment assessment, the Group's credit loans and unlisted debt securities are classified into stage 1, stage 2 and stage 3 in accordance with HKFRS 9. Stage 1 represents loans and debt securities with no significant increase in credit risk since initial recognition. Stage 2 represents loans and debt securities with an increase in credit risk since initial recognition, but not considered as credit-impaired. Stage 3 represents loans and debt securities with significant increase in credit risk since initial recognition and are considered as credit-impaired. Impairment was assessed for each of the loans and debt securities individually. The Group's internal ECL assessment model takes into account the following: 1) expected life and contractual terms of a financial instrument; 2) market probability of default; 3) market loss given default or discounted recovery rate; and 4) forward-looking information.

Money Lending

(i) Group's money lending business and credit risk assessment policy

The Group's money lending business offers both secured and unsecured loans to borrowers, comprising individuals and corporations. The business generates revenue and profit through provision of loans to earn interest income.

The Group has adopted a credit risk policy to manage its money lending business, which covers factors such as compliance with all applicable laws and regulations, credit assessment of potential borrowers and their assets, the creditworthiness of the potential borrowers, the need for collateral, assessments of the intended use of loan proceeds and the sources of repayment.

The scope of money lending services generally includes personal loans, business loans and mezzanine loans. The Group seeks to diversify the loan portfolio by extending loans to a broad range of borrowers to mitigate the concentration risk. The Group does not maintain a rigid risk appetite or fixed criteria for loan approval; instead, credit assessments are conducted on a case-by-case basis. These generally involve a review of the borrower's financial position, repayment and credit history including any prior insolvency records. Within each loan category, the interest rates, loan tenors and repayment terms vary case-by-case. The determination of loan terms reflects the perceived level of risk, provided that such risk is assessed to be acceptable and manageable.

Provision of loans is one of the principal businesses of the Group. Management's discussion of movements in material loans, including renewals of existing loans or granting of new loans, has been disclosed in the relevant announcement or shareholders' circular.

(ii) Major terms of credit loans granted (including details of the collaterals), loan size, diversity of clients and concentration of loans on major clients

To diversify the client base and reduce the concentration risk in loan portfolio, the Group's borrowers comprise individuals and companies operating in various industries, including securities investment, real estate and consulting service. As at 30 June 2026, the Group had 19 borrowers, comprising 18 unlisted corporate borrowers and 1 individual borrower.

As at 30 June 2026, the Group had 36 credit loans with principal amounts ranging from HK$1 million to HK$446 million, bear interest at floating rate of Hong Kong Dollar Prime Rate plus 2% per annum and fixed rates ranging from 6% to 12% per annum. The credit loan portfolio fell with the following bands:

Loan size of principal	**Number of credit loans**
Above HK$100 million–HK$500 million	11
Above HK$50 million–HK$100 million	6
Above HK$10 million–HK$50 million	12
Above HK$5 million–HK$10 million	2
Below or equal to HK$5 million	5
	36

Out of the 36 credit loans, 1 loan was secured by shares of private companies and assets of private companies with personal guarantee (1% of the total principal amount of the Group's credit loan portfolio), 1 loan was secured by shares of listed and private companies with unguaranteed (1% of the total principal amount of the Group's credit loan portfolio), 2 loans were secured by shares of private companies with personal guarantee (8% of the total principal amount of the Group's credit loan portfolio), 9 unsecured loans with personal or company's guarantee (48% of the total principal amount of the Group's credit loan portfolio) and the remaining 23 loans were unsecured and unguaranteed (42% of the total principal amount of the Group's credit loan portfolio).

As at 30 June 2026, the top five borrowers accounted for 71% of the total principal amount of the Group's credit loan portfolio.

(iii) Reasons for loan impairments (and write-offs)

Management's discussion on loan impairment highlights that the ECL recognised primarily represented the credit risk associated with collectability of certain loans, as determined in accordance with the Group's loan impairment policy. The assessment takes into account factors such as the borrowers' credit history, financial conditions and forward-looking information. In accordance with the Group's loan impairment policy, impairment losses are recognised by applying the prevailing accounting standards. Accordingly, the amount of ECL is reassessed at each reporting date to reflect the changes in the credit risk on loan receivables since initial recognition.

The gross amount of credit loans increased by HK$78 million from HK$5,090 million as at 31 December 2025 to HK$5,168 million as at 30 June 2026. The net carrying amount of credit loans, after ECL provisions, increased from HK$322 million as at 31 December 2025 to HK$323 million as at 30 June 2026.

Ageing analysis of credit loans based on due date and net of ECL provisions is as follows:

	As at 30 June 2026 *HK$'000*	As at 31 December 2025 *HK$'000*
Within 30 days	**21,723**	42,637
31–90 days	**—**	—
Over 90 days	**301,240**	279,424
Credit loans, net	**322,963**	322,061

Prospects

Since May 2026, the Hong Kong stock markets have been under pressures from administrative measures targeting at offshore investments of Chinese Mainland investors, which manifested in downward market pressure on the market generally as well as financial services sectors including the insurance industry. Looking ahead to the second half of 2026 and beyond, we remain guardedly critical about the outlook for Hong Kong's capital markets and our core business segments. While market sentiment has shown signs of improvement and business activities have gradually increased, the pace and sustainability of recovery remain subject to prevailing economic conditions, market volatility and geopolitical developments. We believe selective opportunities will continue to emerge across our brokerage, asset management and corporate finance businesses; however, competition, pricing pressure and execution risks are expected to remain challenging. The progress achieved in recent years reflects the dedication and commitment of our management team and staff in strengthening the Group's business foundation and enhancing its competitiveness. We have continued to expand our brokerage business's market share, assets under management and corporate finance mandates, demonstrating the effectiveness of our strategic initiatives. Nevertheless, the Group continues to address and manage certain legacy matters, and the timing and extent of recoveries, repayments and asset value realisations may differ from current expectations due to uncertainties in market conditions and the financial position of counterparties. In response to the evolving business environment, we will continue to invest prudently in talent, technology and AI to improve operational efficiency, strengthen client services, enhance risk management capabilities and broaden our product and service offerings. These investments are intended to support the Group's long-term development while maintaining a disciplined approach to capital allocation and risk management. Although meaningful progress has been made in rebuilding and enhancing our business platform, we remain mindful of the uncertainties that may affect future performance, including fluctuations in asset prices, credit risks and the outcome of recovery and repayment efforts. Accordingly, the Group will continue to focus on balance sheet strength, risk controls and sustainable business growth. With a stronger operational foundation, an established client base and a pipeline of business opportunities, we believe the Group is well positioned to navigate future challenges and pursue long-term value creation for shareholders, clients and business partners.

OTHER INFORMATION

Capital Structure, Liquidity and Financial Resources

The Group generally finances its operations through internally generated cash flow, as well as the utilisation of banking facilities and the issuance of private notes. The Group's cash level as at 30 June 2026 stood at HK$129 million (31 December 2025: HK$112 million).

As at 30 June 2026, the Group's total borrowings amounted to HK$478 million, representing an increase of 7% from HK$448 million as at 31 December 2025. The Group's borrowings mainly composed of two components.

— The first component comprised bank borrowings of HK$291 million as at 30 June 2026 (31 December 2025: HK$287 million), representing a portion of the Group's total available banking facilities of HK$774 million (31 December 2025: HK$784 million).

— The second component comprised private notes amounting to HK$187 million (31 December 2025: HK$161 million).

As at 30 June 2026, the Group's total equity amounted to HK$1,694 million (31 December 2025: HK$1,690 million). The Group's gearing ratio was 28% (31 December 2025: 27%), calculated as total borrowings over total equity. The management has adopted prudent risk and credit management on the borrowings. In addition, the Group is required to comply with regulatory re-pledging ratios and prudent bank borrowing benchmarks that govern the extent of bank borrowings in the securities margin lending business.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

For the current interim period, the Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

Significant Investments

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets of HK$4,059 million as at 30 June 2026 (i.e. over HK$203 million).

Investments Held by the Group

The Group maintained a diversified portfolio comprising listed equity securities, unlisted equity securities, private equity funds and unlisted debt securities. The Group's investment objective, except for unlisted debt securities, is to achieve capital appreciation while supporting its overall strategic objectives. This objective is pursued through a risk-balanced investment approach, with appropriate portfolio allocation across a diversified range of financial instruments based on the nature, risk profile, and return characteristics. Listed equity securities are primarily held to enhance portfolio liquidity and generate returns in the form of capital appreciation and dividend income. Unlisted equity securities and private equity funds are intended to capture opportunities for potentially higher returns, gain access to pre-IPO opportunities and realise strategic value through medium to long-term capital growth. Unlisted debt securities are held to generate a recurring and stable stream of interest income.

As at 30 June 2026, the Group held three (31 December 2025: three) unlisted debt securities investments, which are classified as financial assets measured at amortised cost. The net carrying amount of these investments was HK$170 million (31 December 2025: HK$169 million), representing approximately 4% (31 December 2025: 5%) of the Group's total assets. Out of the net carrying amount, two (31 December 2025: two) unlisted debt securities of HK$130 million (31 December 2025: HK$130 million) were due from a former connected party, in respect of which an ECL provision rate of approximately 90% had been applied. Details of the ECL assessment and credit risk assessment policies are set out in the sections headed "Impairment loss" and "Money Lending" under Management Discussion and Analysis.

The value of the portfolio as a whole represented approximately 19% (31 December 2025: 19%) of the Group's total assets. As at 30 June 2026, none of the Group's individual investment holdings was material to the Group's total assets. The Group's investment portfolio, except for unlisted debt securities investments, by class are as follows:

	Fair value as at 30 June 2026 *HK$'000*	Fair value as at 31 December 2025 *HK$'000*	**Investment (loss)/gain in interim 2026** *HK$'000*	**Return/(loss) on investments** *%*
Listed equity securities[1]	**380,353**	230,775	**(31,727)**	**5**
Unlisted equity securities[2]	**204,126**	224,562	**(20,436)**	**(23)**
Private equity funds[3]	**52,692**	59,800	**7,846**	**210**
	637,171	515,137	**(44,317)**	

1. Listed equity securities accounted for approximately 9% (31 December 2025: 6%) of the Group's total assets as at 30 June 2026. The majority of these investments were listed in the Greater China Region, principally in Chinese Mainland, Hong Kong, and Taiwan market.

2. Unlisted equity securities accounted for approximately 5% (31 December 2025: 6%) of the Group's total assets as at 30 June 2026. These investments comprised equity interests in five companies (31 December 2025: five companies) engaged in diversified business sectors, including financial services, investment holding and healthcare, with operation located in Chinese Mainland, U.S., Hong Kong and Japan.

3. Private equity funds accounted for approximately 1% (31 December 2025: 2%) of the Group's total assets as at 30 June 2026. The portfolio comprised five (31 December 2025: five) private equity funds, two of which were managed by an indirect wholly-owned subsidiary of the Company acting as investment manager or fund manager. These two (31 December 2025: two) private equity funds collectively represented approximately 79% (31 December 2025: 83%) of the Group's total investment value in private equity funds.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2026, the Group's assets with carrying amount of HK$585 million (31 December 2025: HK$582 million) were pledged to banks as security for banking facilities.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 177 full-time employees (31 December 2025: 179) in Hong Kong and 8 full-time employees (31 December 2025: 19) in Chinese Mainland. In addition, the Group had 67 self-employed sales representatives (31 December 2025: 70). Competitive total remuneration packages are offered to employees with reference to industry remuneration research reports, prevailing market practices and benchmarks and individual merit. Salaries are reviewed annually, and discretionary bonuses are awarded based on individual performance, prevailing market conditions and the Group's financial performance. Other employee benefits provided by the Group include participation in a mandatory provident fund scheme, as well as medical and health insurance.

RISK MANAGEMENT

The Group's business is closely related to the economy and market fluctuations of Hong Kong and Chinese Mainland, and indirectly affected by financial markets across the globe. To cope with unpredictable market fluctuations and minimise risks, the Group takes preventive measures and established a three-tier risk management system. At the front line, there are relevant business departments who conduct the initial risk assessments. Risk Management Department ("RMD") and Legal and Compliance Department then review and provide comments on identified risks, if any. RMD is responsible for risk identification and analysis, the setting and monitoring of risk limits and parameters, and producing timely risk reports to the senior management. The Legal and Compliance Department also comments and monitors the legal and compliance risks involved as required. Internal Audit conducts thorough checks periodically to ensure that any procedural and potential risks can be eradicated, concluding the final stem of our Group's comprehensive risk control.

Credit Risk

Credit risk is the potential risk in respect of loss arising from incompetence of a borrower, counterparty or issuer of financial instruments to meet its obligation, or potential deterioration of credit ratings. The Group has an established Credit Approval Policy and Procedure for pre-lending approval and a post-lending monitoring system in place for all business applications and proposals with potential credit risks. The credit risks of the Group mainly arise from five business areas, namely corporate finance business, asset management business, brokerage business, interest income business and proprietary investment business. Advanced IT systems are also utilised by the Group to conduct daily monitoring on credit and concentration risk limits.

Market Risk

Market risk refers to potential loss due to market price movement of investment positions held, which includes interest rates risk, equity prices risk and foreign exchange rates risk. RMD is responsible for setting up market risk limits and investment guidelines for the Group's various business functions and their investment activities as necessary. Investments with potential market risks are assessed by relevant business departments and reviewed by RMD as appropriate. Monitoring and assessments of market risks positions are conducted timely, and significant risks are reported to senior management to ensure the market risks of the Group are controlled within an acceptable level. The Group continues to modify the market risk models through periodic testing and scenarios analysis.

Liquidity Risk

Liquidity risk refers to the risk of the Group's ability to secure adequate capital, in a timely manner, to meet its financial obligations and support business operation needs. The Treasury Department oversees fund sourcing, management, and allocation while the Accounts Department monitors compliance with applicable rules, such as Financial Resources Rules and financial covenants imposed by lending banks via an effective monitoring system. The Group cultivates strong relationships with banks to secure reliable source of short-term financing. The Group also retains the flexibility to raise short-term working capital through public and private offerings of corporate bonds or other financial instruments when necessary. For liquidity monitoring, the Group has established effective monitoring mechanism to ensure sufficient liquidity cushion to meet emergency funding needs.

Operational Risk

Operational risk is the risk of financial loss arises mainly from negligence or omission of internal procedural management, information system failures or personnel misconduct of staffs. The Group schedules briefing sessions to improve risk awareness amongst employees as necessary and instructs all departments to establish internal procedural and control guidelines. There is a Group Incident Escalation and Reporting Policy to ensure that all risk events are timely reported to the senior management, RMD, Legal and Compliance Department and IT Department for immediate implementation of remedial action. The Group has a Business Continuity Policy and a special committee in place to deal with whatever emergency situations may arise which could pose operational risks to us.

Regulatory Compliance Risk

As a financial group operating regulated businesses, the Group is exposed to regulatory compliance risks arising from the stringent and evolving regulatory requirements applicable to its businesses, including those relating to investor protection, market integrity and financial stability. Changes in regulatory requirements and failure to comply with applicable laws, rules and regulations may increase compliance costs and may adversely affect the Group's business operations, financial performance and reputation, and may result in regulatory sanctions or other consequences. The Legal and Compliance Department monitors regulatory developments and works with relevant business units to assess and manage regulatory risks. The Legal and Compliance Department also reviews and enhances its policies, procedures and internal controls, where appropriate, to address changes in regulatory requirements and identified compliance risks.

DIVIDENDS

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (2025: Nil).

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any listed securities of the Company (including sale of treasury shares (the "Treasury Shares")). As at 30 June 2026, the Company did not hold any Treasury Shares.

CORPORATE GOVERNANCE PRACTICES

The Board considers that the Company has applied the principles and complied with the code provisions set out in Corporate Governance Code of Appendix C1 of the Listing Rules (the "Corporate Governance Code") throughout the six months ended 30 June 2026 and subsequent period up to the date of this announcement, save for the deviations from code provision C.2.1 which is explained as follows:

The Co-Chairmen of the Company are Mr. HAN Xiaosheng and Mr. Kenneth LAM Kin Hing ("Mr. LAM") while the Chief Executive Officer had been performed by Mr. LAM. This constitutes a deviation from code provision C.2.1 of the Corporate Governance Code which stipulates that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. However, the Board considers that in view of the current operation, structure, size and resources of the Group together with substantial experience of financial services business, extensive management experience and leadership within the Group of Mr. LAM, that it is currently most beneficial and efficient to maintain the existing leadership structure.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under Appendix C3 of the Listing Rules. The code of conduct is also updated from time to time in order to keep abreast with the latest changes in the Listing Rules. It has also been extended to specific employees of the Company who are likely to be in possession of unpublished price-sensitive information in respect of their dealings in the securities of the Company.

In response to specific enquiry, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the six months ended 30 June 2026.

AUDIT COMMITTEE REVIEW

The audit committee of the Company (which comprises three independent non-executive directors) has reviewed the interim results for the six months ended 30 June 2026 and discussed with the management of the Company the accounting principles and practices adopted by the Group, internal control and financial reporting matters.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The announcement of interim results for the six months ended 30 June 2026 of the Group is published on the website of HKEXnews at www.hkexnews.hk and the website of the Company at www.quamplus.com respectively. The 2026 Interim Report of the Company will be despatched to the shareholders of the Company (if requested) and made available on the above websites in due course.

On behalf of the Board
Quam Plus International Financial Limited
HAN Xiaosheng
Co-Chairman

Hong Kong, 25 August 2026

As at the date of this announcement, the Board of the Company comprises:

Executive Directors:
Mr. HAN Xiaosheng *(Co-Chairman)*
Mr. Kenneth LAM Kin Hing *(Co-Chairman)*
Mr. LIU Hongwei

Independent Non-executive Directors:
Mr. Roy LO Wa Kei
Mr. LIU Jipeng
Ms. Cindy KONG Siu Ching

Non-executive Director:
Mr. WANG Liuqi