新鴻基有限公司
SUN HUNG KAI & CO. LIMITED

Stock Code: 0086

2026

INTERIM REPORT

ABOUT US

Sun Hung Kai & Co. Limited ("SHK & Co.", SEHK: 86) is a principal-led alternative investment platform based in Hong Kong. Since 1969, with its roots in wealth management, SHK & Co. has built a unique investment capability by investing across a wide range of alternative asset classes including hedge funds, private equity, private credit, and various real assets, consistently generating solid long-term risk-adjusted returns.

SHK & Co.'s vision is to realise the full potential of its alternative investment expertise through a strategy centred on alignment – creating value for both its own capital and that of external partners, including institutions and family offices, enhanced by its relationships with leading alternative investment managers.

As at 30 June 2026, SHK & Co. held approximately HK$40.4 billion in total assets, with total assets under management (Total AUM*) of HK$29.2 billion (~US$3.7 billion), reflecting 17.7% growth since end of 2025.

CONTENTS

* Definition of the Total AUM please refer to page 7 of this report

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Highlights[1]

(HK$ Million)	Six months ended Jun 2026	Jun 2025	Change	Year Ended Dec 2025
Total income by segment[2]				
Fees and interest based	**1,791.4**	1,726.9	3.7%	3,584.6
Investment	**533.0**	1,148.7	-53.6%	2,115.2
Corporate	**170.2**	(75.7)	N/A	(226.2)
	2,494.6	2,799.9	-10.9%	5,473.6
Total operating cost by segment				
Fees and interest based	**569.7**	534.9	6.5%	1,117.3
Investment	**51.6**	109.2	-52.7%	166.6
Corporate	**118.0**	116.3	1.5%	202.2
	739.3	760.4	-2.8%	1,486.1
Pre-tax profit/(loss)				
Fees and interest based	**590.3**	380.4	55.2%	863.2
Investment	**402.9**	1,006.6	-60.0%	1,826.4
Corporate	**(18.1)**	(299.6)	-94.0%	(679.3)
	975.1	1,087.4	-10.3%	2,010.3
Profit/(loss) attributable to owners of the Company				
Fees and interest based	**305.9**	182.2	67.9%	424.2
Investment	**403.6**	1,006.6	-59.9%	1,826.5
Corporate	**(21.6)**	(301.8)	-92.8%	(657.6)
	687.9	887.0	-22.4%	1,593.1
Excluding non-recurring items[3] (net of non-controlling interest):				
Deferred tax assets written off	**–**	11.2	-100%	22.9
Withholding tax on dividends declared from PRC subsidiaries	**–**	–	N/A	9.0
Exchange loss from liquidation of subsidiaries	**26.3**	29.9	-12.0%	61.1
Adjusted profit attributable to owners of the Company	**714.2**	928.1	-23.0%	1,686.1
Basic earnings per share *(HK cents)*	**35.2**	45.3	-22.3%	81.4
Interim dividend *(HK cents)*	**13.0**	12.0	8.3%	15.0[4]
Book value per share *(HK$)*	**11.6**	11.2	3.6%	11.4

1. To better reflect each segment's revenue generating model, we grouped our business segments as follows:
   - Fees and interest based: Credit and Alternative Solutions (formerly known as Funds Management)
   - Investment: Investment Management
   - Corporate: Group Management and Support, or GMS

   Certain items previously grouped under Investment Management have been reclassified to GMS.
2. We reclassified net gain/(loss) on financial assets and liabilities at fair value through profit and loss as well as dividends from listed and unlisted investments as net investment income starting from the reporting period beginning 1 January 2025.
3. Items that are non-cash and/or non-operating in nature are presented separately and excluded to arrive at the adjusted profit attributable to owners of the Company. We believe this allows for a clearer representation of the financial results derived from our core operations.
4. Second interim dividend.

Key Financial Information

HK$2,495m **Total Income** *-10.9%^*	**HK$1,309m** **EBIT** *-9.3%^*	**HK$688m** **Attributable Profit** *-22.4%^*
HK$29,192m **Total AUM*** *(equivalent to US$3,723m)* *+17.7%#*	**HK$16,881m** **Investment Assets** *(equivalent to US$2,153m)* *+7.4%#*	**HK$12,349m** **Gross Loan Balance (Consumer Finance)** *(equivalent to US$1,575m)* *+4.6%#*

Interim Dividend HK13 cents *+8.3%^*

^ Compared with 1H 2025; # Compared with 31 Dec 2025

The global operating backdrop during the first half of 2026 was marked by lingering geopolitical instability, interest rate uncertainty, and narrow market breadth, with equity gains largely driven by mega-cap technology companies. Escalating geopolitical risks and divergent sector impacts from AI adoption created heightened divergence in asset performance. Against this backdrop, our capital allocation remained disciplined, favouring liquidity, risk mitigation, and tactical positioning around market dislocations.

As a principal-led alternative investment platform, SHK & Co. remains well positioned to navigate market volatility. Approached with discipline, market dislocations create compelling opportunities across alternative strategies. We continued to create value focused on downside protection and risk-adjusted returns backed by our strong balance sheet, liquidity and growing strategic partnerships, as well as our extensive global network. This flywheel effect of revenue and AUM growth has enabled us to begin platform monetisation. Total AUM* expanded to HK$29,192.0 million, while total assets grew to HK$40,388.8 million, reflecting the steady scaling of our platform.

** Please refer to page 7 of this report for the definition of "Total AUM".*

Profit attributable to the owners of the Company was HK$687.9 million, a decrease of 22.4% year-on-year ("YoY") (first half of 2025: HK$887.0 million). A lower reported profit this period was mainly due to the absence of a sizeable liquidity event compared to the preceding period. This was partly offset by an improvement in the Credit business. Basic earnings per share was HK35.2 cents (first half of 2025: HK45.3 cents).

The Board has declared an interim dividend of HK13 cents per share for the six months ended 30 June 2026 (2025 interim dividend: HK12 cents per share), an increase of 8.3% YoY.

During the first half of 2026, the Group repurchased 2.8 million shares, further demonstrating its commitment to disciplined capital management and enhancing long-term shareholder value. Since 1997, the Group has returned HK$16.2 billion to shareholders through dividends and share buybacks.

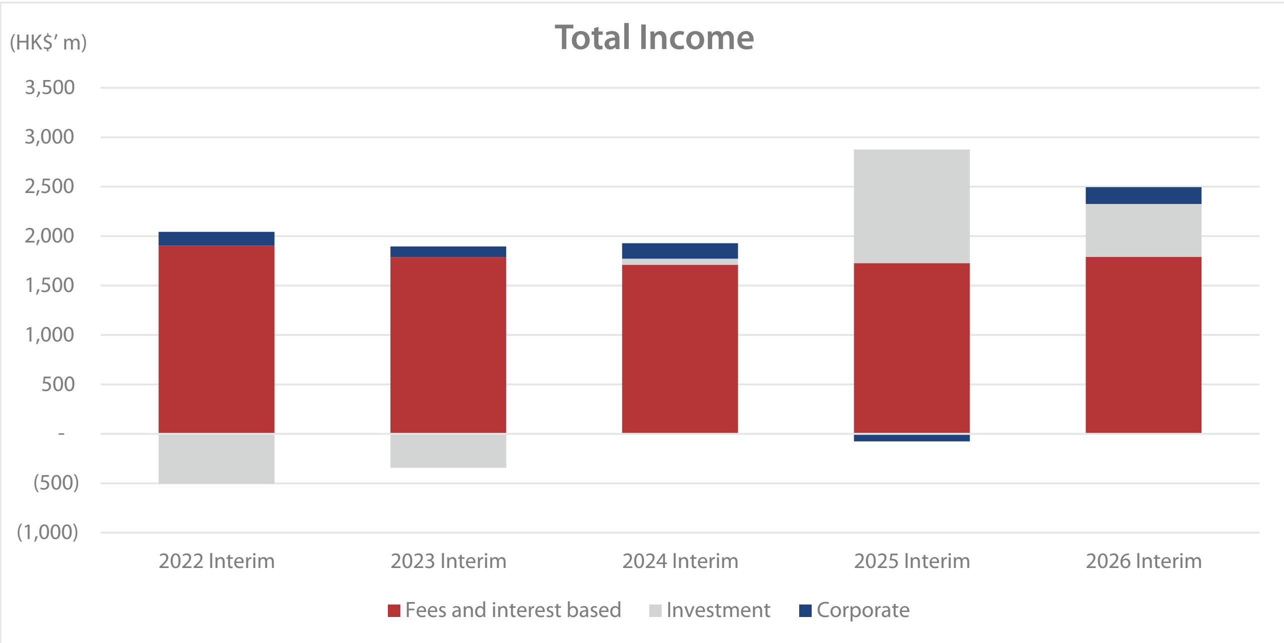
The Group also continued to proactively manage its funding profile. During the reporting period, the Group repurchased an aggregate principal amount of medium-term notes ("MTN") totalling US$154.2 million (first half of 2025: US$12.4 million). In January 2026, the Group completed a US$250.0 million issuance of notes due 2029 under its MTN programme and concurrently tendered US$152.0 million of its outstanding notes due 2026, thereby extending its debt maturity profile, reducing near-term refinancing risk and further strengthening its financial flexibility.

As of 30 June 2026, the Group's book value per share was HK$11.6, an increase of 1.8% from the end of 2025 (HK$11.4).

Results Analysis

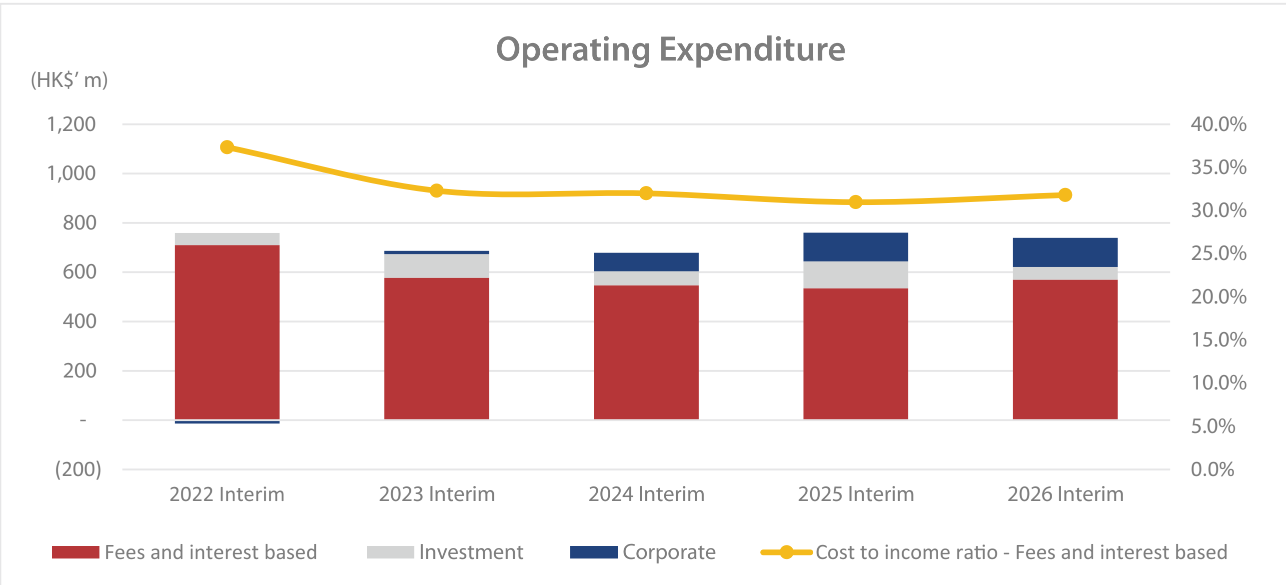
The Group's total income in the first half of 2026 was HK$2,494.6 million (first half of 2025: HK$2,799.9 million). Fees and interest-based businesses, which include Credit and Alternative Solutions (formerly known as Funds Management) segment, collectively contributed HK$1,791.4 million (first half of 2025: HK$1,726.9 million). Investment business recorded HK$533.0 million (first half of 2025: HK$1,148.7 million), and the Group Management and Support recorded HK$170.2 million (first half of 2025: loss of HK$75.7 million).

The chart below summarises the trend in total income over the past five years:

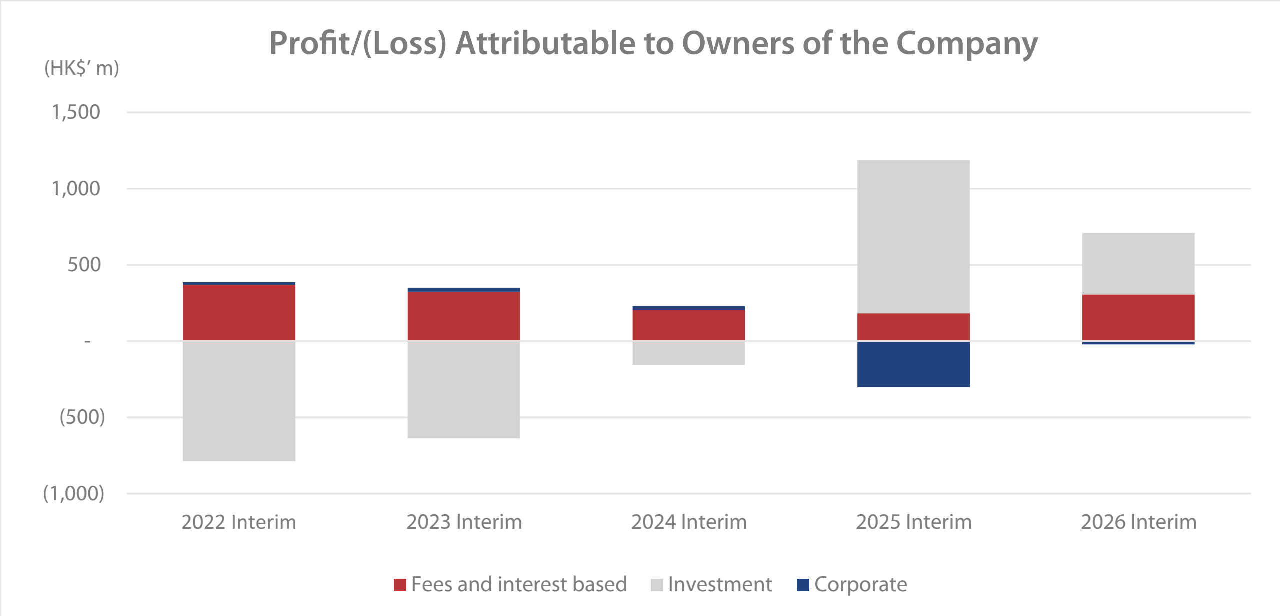


Operating costs were HK$739.3 million (first half of 2025: HK$760.4 million), a decrease of 2.8% YoY. The cost-to-income ratio of the fees and interest-based businesses was 31.8% (first half of 2025: 31.0%). We have consistently maintained our disciplined expense management.

The chart below summarises the trend in total operating costs over the past five years:



Profit attributable to the owners of the Company was HK$687.9 million, a decrease of 22.4% YoY (first half of 2025: HK$887.0 million). EBIT was HK$1,309.1 million (first half of 2025: HK$1,443.1 million), a decrease of 9.3% YoY. The chart below summarises the trend in profit/(loss) attributable to the owners of the Company over the past five years:



Business Review

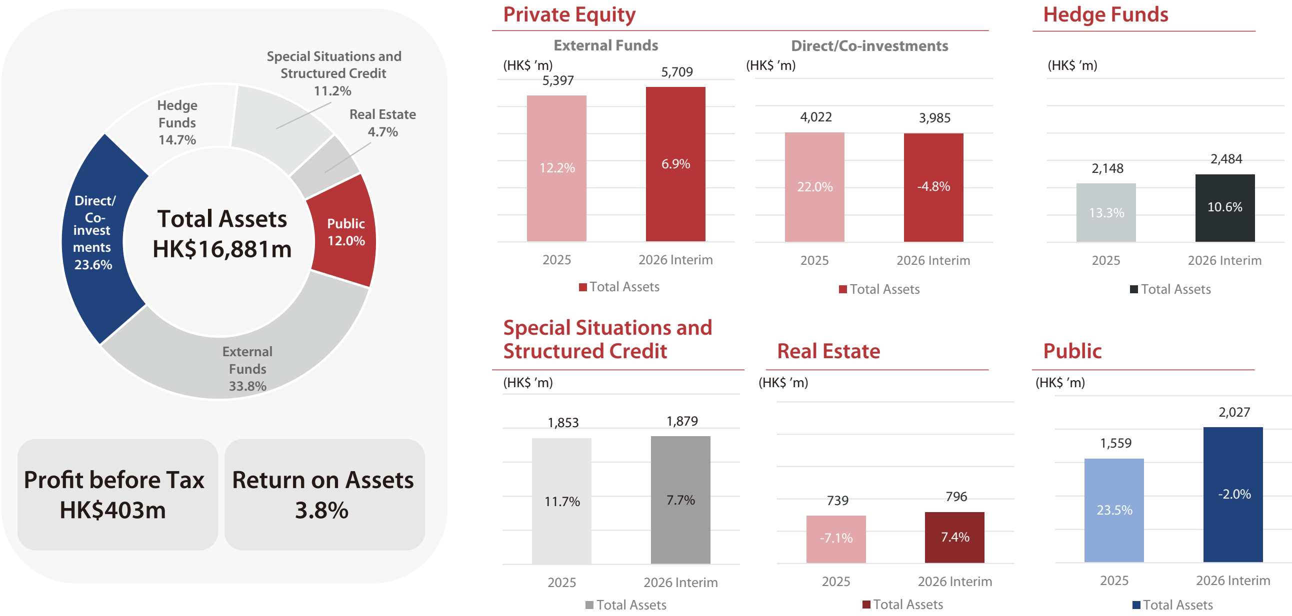
Segment Information

Detailed segmental information on revenue and profit or loss is shown in note 4 to the condensed consolidated financial statements.

Investment Management

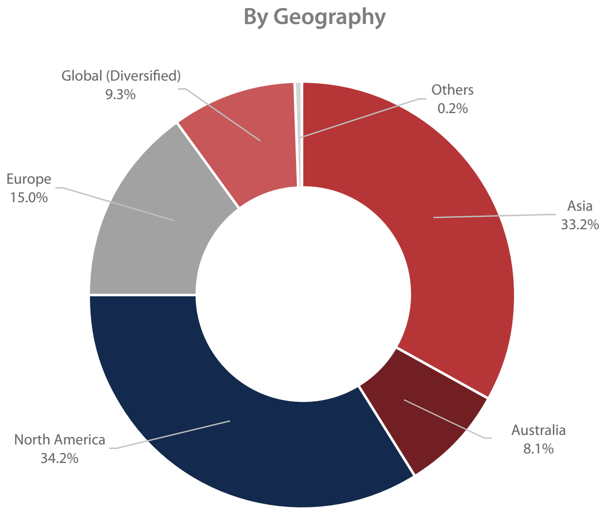
The Investment Management business recorded a profit before tax of HK$402.9 million (first half of 2025: HK$1,006.6 million). A lower reported profit this period was mainly due to the absence of a sizeable liquidity event compared to the preceding period.

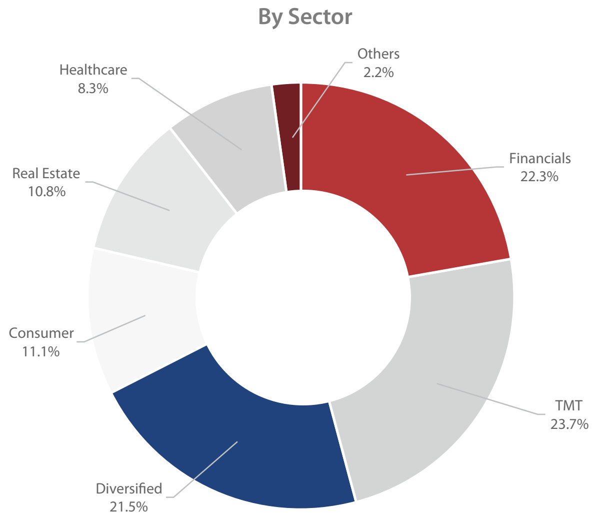
As at 30 June 2026, the segment's investment balance stood at HK$16,880.5 million (31 December 2025: HK$15,717.4 million). The portfolio is led by Private Equity external funds and direct/co-investments, which comprise 57.4% (31 December 2025: 59.9%) of the total.



Note: Percentages shown on the bars represent the ROA for FY2025 and 1H2026, respectively.

The portfolio is well diversified by geography and by sector, and is monitored using a total portfolio approach.





In the first half of 2026, investment profit was driven evenly across Private Equity, Special Situations & Structured Credit, and Hedge Funds. Investment income was driven by liquidity events (including IPO and M&A), portfolio markups through new financing rounds of tech investments, and ongoing distributions. Our Fund of Hedge Funds strategy also delivered a strong return which outperformed market benchmarks. The decrease in Direct and Co-investments returns was mainly driven by the lack of a large liquidity event as compared to the first half of 2025. Meanwhile, the Public portfolio recorded a slight loss amid broader market volatility and sector rotation in the second quarter of 2026.

Within our HK$9.7 billion Private Equity portfolio, around HK$1.7 billion is publicly listed, providing strong liquidity flexibility. Since inception, this segment has delivered a 15.8% IRR.

Our expanded Special Situations & Structured Credit allocation provided downside protection with meaningful upside. Gains were driven by value appreciation in a US payments co-investment and some special situation funds, alongside steady income from private credit (including Wentworth and a European hotel platform).

New investments in the first half of 2026 focused on Secondaries, Special Situations, and Buyout strategies (namely JC Flowers, Aquilius, Clipway, Hunter Point, the Janus Henderson take-private), prioritising mature, cash-generative assets with clear exit paths.

Overall, these Investment Management's results reflect our disciplined asset allocation, deal sourcing strength, and value-creation capabilities.

Alternative Solutions

Sun Hung Kai Capital Partners Limited ("SHKCP") serves as the Group's regulated entity for its Alternative Solutions platform (formerly Funds Management). This renaming better reflects the segment's broad range and diversified investment solutions for clients' capital. By investing in strong general partners ("GPs"), we provide access to differentiated alternative and private market returns for our clients and also provide capital solutions to our GP partners. Our Group's own capital and our client's capital are aligned when we underwrite these investments in partnership.

HK$29,192m	HK$21m	HK$1m
Total AUM*	**Fee Income**	**Loss before Tax**
+17.7%#	*+24.7%^*	*Improved by 82.0%^*

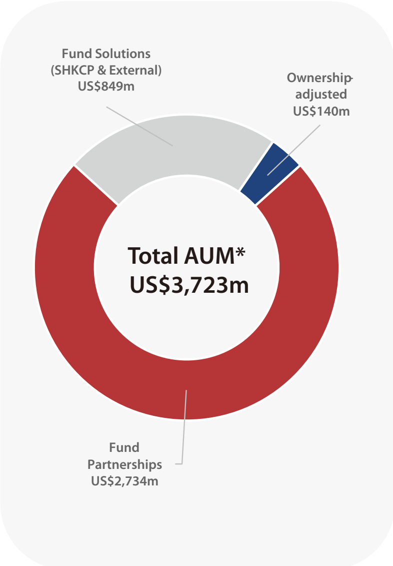
^ Compared with 1H 2025; # Compared with 31 Dec 2025

** "Total AUM" refers to total value of the following:*

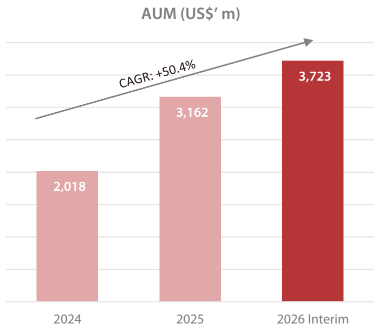
1. *Assets managed by SHKCP's fund partners, with which seeding arrangements have been entered.*
2. *Assets managed by SHKCP, as well as assets under advisory and dealing/distribution services provided by SHKCP.*
3. *Ownership adjusted AUM of managers in which SHK & Co. has equity stakes.*

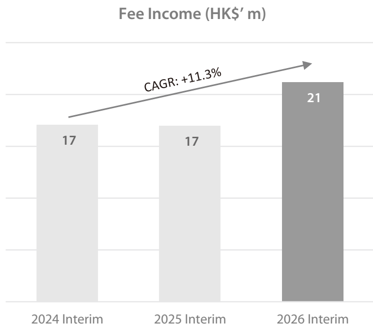
Please note that (1) our methodology for determining AUM reflects our different business lines and is based on our economic interests and/or control in the assets, this differs from the methodology for calculating our AUM for regulatory filings; and (2) we rely on the AUM figures reported by third party managers, who may apply different methodologies, assumptions and valuation approaches in determining their respective AUMs.

The Alternative Solutions business recorded a nominal pre-tax loss of HK$0.9 million (pre-tax loss of the first half of 2025: HK$5 million), narrowing losses significantly by 82.0% YoY. Accelerating growth in fee income (+24.7% YoY) and AUM are the main drivers, partly offset by higher operating expenses.



AUM (US$' m)	Beginning AUM	Net Cashflow	Market	Ending AUM
Fund Partnerships	2,459	139	136	**2,734**
Fund Solutions (SHKCP & External)	582	229	38	**849**
Ownership-adjusted	121			**140**
Total AUM*	3,162	373	167	**3,723**





SHKCP achieved a 17.7% increase in Total AUM* to US$3.7 billion. This growth was driven by net capital inflows, the solid performance of various strategies, and new strategic partnerships.

** Please refer to page 7 of this report for the definition of "Total AUM".*

Our Partnerships

SHKCP leverages strategic partnerships with leading global alternative and private market GPs to access privileged risk-adjusted returns, in the form of co-investments and other solutions for institutional and family office clients.

This collaborative model is still in its early stages, with the completion of our investment in Aquilius Investment Partners ("Aquilius") in the second quarter of 2026 and most other partnerships only commencing recently. Even so, it is already generating a flywheel effect that unlocks proprietary deal flow, expands network effects between investors, and enables SHKCP to build long-term recurring revenue.

In the first half of 2026, we strengthened our global platform through additional investments in key strategic alliances. We partnered with Janus Henderson to co-develop and distribute alternative investment solutions, and with Aquilius to secure unique access to Asia-Pacific secondaries transactions. Meanwhile, our alliance with Pinegrove Credit Partners broadens Asian investor access to venture debt in the high-growth tech sector. Beyond generating risk-adjusted returns for SHKCP's clients, these growing partnerships also support group-wide investment returns and capture compelling co-investment opportunities for our Investment Management segment.

Credit Business

The Group's Credit business principally operates in the Greater China region, where it is subject to the impact of local economic conditions, financing costs, and regulations.

Consumer Finance

HK$ 12,349m
Gross Loan Balance
+4.6%#

28.1%
Return on Loan
*-30bps^*

6.6%
Charge-off Ratio
*-30bps^*

HK$565m
Profit before Tax
*+50.7%^*

HK$607m
Adjusted Profit before Tax*
*+43.8%^*

** After excluding non-recurring items that are non-cash and/or non-operating in nature*
^ Compared with 1H 2025; # Compared with 31 Dec 2025

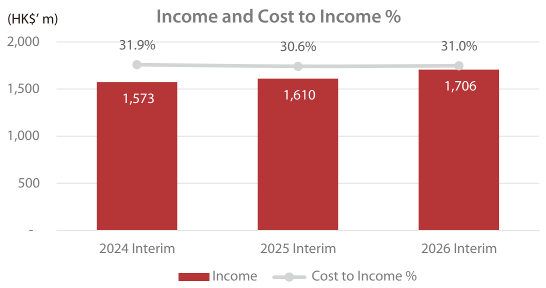
Our Consumer Finance business conducted under United Asia Finance Limited ("UAF"), recorded a pre-tax profit of HK$565.2 million (first half of 2025: HK$374.6 million).

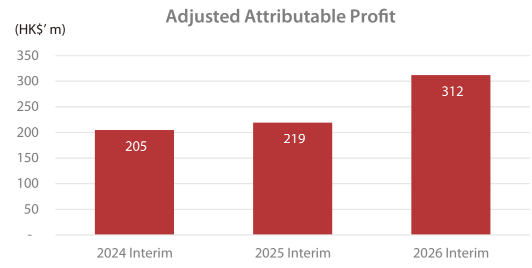
During the first half of 2026, business in Hong Kong delivered satisfactory growth in terms of loan transaction volume and profitability. Our disciplined credit underwriting policy and robust credit scoring system enabled us to grow our business while lowering the charge-off ratio. Unsecured personal loans, a major product category for UAF generated growth in transaction volume and loan balance in line with the industry average.

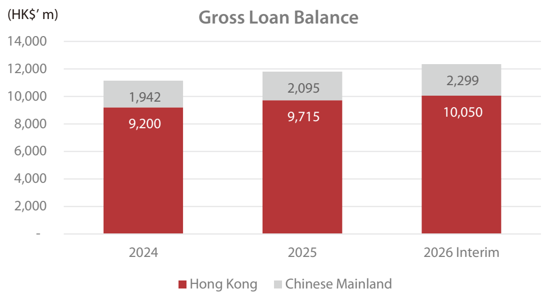
Launched in 2023, the SIM Credit Card business started generating profit, contributing to revenue through growth in card receivables, interest, and fee-based income. Platform enhancements with features such as spending instalment, bill payment, and cash instalment ("loan-on-card facilities") also support revenue growth. Overall performance, considering rising revenue yields and customer acquisition within younger demographics, remains satisfactory.

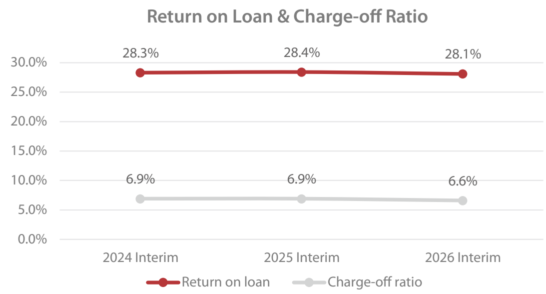
As the Chinese Mainland market remains challenging, UAF continues to focus on the secured loan business and adopting tight cost control measures to ensure a positive profit contribution from the region. The consolidated consumer finance gross loan balance amounted to HK$12,348.9 million.

The key financial metrics over the last three years/periods are shown below:









Mortgage Loans

HK$1,492m
Servicing Portfolios
+40.7%#

HK$1,009m
Direct Lending
-18.2%#

HK$3m
Loan Servicing Income
*+81.3%^*

3.5%
Net Impairment Losses Ratio
*-160bps^*

HK$26m
Profit before Tax
*+140.7%^*

10.4%
Return on Loan
*+50bps^*

^ Compared with 1H 2025; # Compared with 31 Dec 2025

Our Mortgage Loan business, conducted by Sun Hung Kai Credit Limited ("SHK Credit"), recorded a pre-tax profit of HK$26.0 million (first half of 2025: HK$10.8 million), up 140.7% over the same period last year. The growth was primarily driven by a significant reduction in impairment charges. The net impairment losses ratio improved by 160 basis points to 3.5%, reflecting improved asset quality and prudent risk management. Return on loans rose to 10.4%, demonstrating enhanced profitability and portfolio performance. Meanwhile, the direct lending portfolio contracted as we maintained disciplined underwriting while prioritising asset quality and risk-adjusted returns amid a challenging property market.

The mortgage servicing business continued its momentum, with the portfolio expanding 40.7% to HK$1,491.8 million, while loan servicing income rose by 81.3% to HK$2.9 million. This growth was driven by new mandates, underscoring market recognition and trust in SHK Credit from institutional investors, and showcasing growing demand across developers. Expanding this business advances our strategy to broaden revenue base through capital-light recurring income while solidifying our position as an institutionalised mortgage solutions platform.

Outlook

Looking ahead, we expect the macro backdrop to remain dynamic, shaped by geopolitical shifts, interest rate trends, and ongoing AI disruption. The Group will stay anchored in disciplined capital allocation and proactive risk management to maintain resilience across market cycles, drawing on a proven track record built over our half-century history.

Through deeper collaboration and synergy across our Credit, Investment Management, and Alternative Solutions segments, we will continue expanding our strategic partnerships to unlock flywheel and network effects across our platform, driven by further new GP investments and co-developed solutions. Moving forward, we will stay agile in capturing high-conviction opportunities and generating sustainable long-term value for our shareholders.

Financial Review

Financial Resources, Liquidity, Capital Structure and Key Performance Indicators

(HK$ Million)	**30 Jun 2026**	31 Dec 2025	Change
Capital Structure			
Equity attributable to owners of the Company	**22,750.5**	22,338.2	1.8%
Total cash	**5,105.3**	4,978.1	2.6%
Total borrowings[1]	**11,277.9**	10,738.3	5.0%
Net debt[2]	**6,172.6**	5,760.2	7.2%
Net debt to equity ratio[3]	**27.1%**	25.8%	
Liquidity			
Interest cover[4]	**3.92**	4.04	-3.0%
Return Ratios			
Return on assets[5]	**4.3%**	4.8%	
Return on equity[6]	**6.1%**	7.3%	
Return on net tangible equity[7]	**7.1%**	8.6%	
Key Performance Indicator			
Book value per share *(HK$)*	**11.6**	11.4	1.8%
Dividend per share *(HK cents)*	**13**	27	N/A

1 Bank and other borrowings and notes payable
2 Total borrowing minus total cash
3 Net debt/equity attributable to owners of the Company
4 Earnings before interest and tax/interest expense
5 Profit including non-controlling interests/average assets
6 Profit attributable to owners of the Company/average equity attributable to owners of the Company
7 Profit attributable to owners of the Company/average net tangible equity

The Group manages its capital to ensure it continues as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. As at 30 June 2026, the Group's total cash increased by 2.6% after the issuance of bonds. In January 2026, the Group completed issuance of US$250.0 million of 6.75% 2029 notes. For the 5% 2026 notes, US$152.0 million in aggregate principal amount were repurchased by way of tender offer. All the repurchased 2026 notes were cancelled during the period. US$198.1 million of the aggregate principal amount of the 2026 notes remain outstanding. Total borrowings and net debt increased due to the issuance of bonds. 48.6% of the total borrowings were repayable within one year (31 December 2025: 78.3%). The Group maintained a balanced mix of funding from various sources. Bank and other borrowings accounted for 68.3% of total borrowings (31 December 2025: 74.3%) and were mainly at floating interest rates, primarily denominated in Hong Kong dollars and US dollars. The remaining are 5% 2026 notes and 6.75% 2029 notes with nominal values of US$195.9 million and US$250.0 million respectively as at 30 June 2026. The Group repurchased an aggregate principal amount of US$154.2 million during the first half of 2026. Of this amount, US$152.0 million were repurchased by way of tender offer. The repurchased notes were cancelled.

There were no known seasonal factors in the Group's borrowing profile. For foreign currency risk management, the Group maintained foreign currency positions to manage its present and potential operating and investment activities. Part of the non-US or non-HK dollar investment assets were hedged against currency fluctuations. Exchange risks were closely monitored by the Group and held within monitored ratios.

For the financial ratios, when compared to first half of 2025, the net gearing ratio increased and interest cover decreased. Both return on equity and return on assets were decreased as a result of decrease in net investment income partly net off with increase profit from the credit business.

Significant Investments

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 30 June 2026.

Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures

During the first half of 2026, the Group had no material acquisitions and disposal of subsidiaries, associates and joint ventures.

Important Events After the End of the Financial Period

There are no important events affecting the Group which occurred after the end of the financial period ended 30 June 2026 and up to the date of this report that requires disclosure.

Charges on Group Assets

Properties of the Group with a total book value of HK$572.0 million and investments funds invested by the Group with a total book value of HK$1,192.1 million were pledged by subsidiaries to banks for facilities granted to them as at 30 June 2026. A total of HK$100.0 million of the secured loans were drawn down as at 30 June 2026.

Contingent liabilities

The Group did not have any material contingent liabilities as at 30 June 2026.

People & Culture

As at 30 June 2026, the Group employed 905 staff (31 December 2025: 926), with 87 in corporate and Investment Management roles and the remainder in UAF and SHK Credit. The reduction was mainly due to UAF's branch consolidation and the expansion of our online presence in the consumer finance sector. Staff costs reduced to HK$295.3 million (first half of 2025: HK$360.3 million), reflecting variable compensation provisions aligned with overall business performance during the period.

The Group also offers competitive benefits, including enhanced medical and dental coverage and an Unlimited Annual Leave policy. Under the Employee Ownership Scheme ("EOS"), 3,138,000 shares were granted to selected employees and directors, with 1,989,000 shares vested in the first half of 2026. Outstanding EOS shares totalled 5,328,000 as at 30 June 2026.

Key people initiatives include:

- Enhancing employee well-being through comprehensive health and wellness benefits
- Supporting workforce flexibility through hybrid and agile working arrangements
- Maintaining market-competitive and performance-driven reward programmes
- Investing in talent development, leadership capability, and succession planning
- Fostering a collaborative, inclusive, and high-performance culture
- Strengthening employee engagement through regular feedback and communication
- Promoting continuous learning through professional development and upskilling opportunities

DIRECTORS' INTERESTS

As at 30 June 2026, the interests of the directors of the Company (the "Directors") in the shares, underlying shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept under Section 352 of the SFO (the "Section 352 Register") were as follows:

(A) Interests in the shares of the Company (the "Shares")

Name of Director	Capacity	Number of Shares	Approximate % of the total number of issued Shares
Lee Seng Huang ("Mr. Lee")	Interests of controlled corporation *(Note 1)*	1,444,479,575 *(Note 2)*	73.55%
Antony James Edwards ("Mr. Edwards")	Beneficial owner Beneficiary of trust	691,000 1,087,000 *(Note 3)*	0.09%
Brendan James McGraw ("Mr. McGraw")	Beneficial owner Beneficiary of trust	1,431,000 1,125,000 *(Note 4)*	0.13%
Peter Anthony Curry	Beneficial owner	1,241,141	0.06%

Notes:

1. Mr. Lee, a Director, together with Mr. Lee Seng Hui and Ms. Lee Su Hwei are the trustees of Lee and Lee Trust, being a discretionary trust. As at 30 June 2026, the Lee and Lee Trust controlled approximately 75.50% of the total number of issued shares of Allied Group Limited ("AGL") (inclusive of Mr. Lee Seng Hui's personal interests) and was therefore deemed to have interests in the Shares in which AGL was interested.

2. This referred to the deemed interests in 1,444,479,575 Shares held by AP Emerald Limited ("AP Emerald"), a wholly-owned subsidiary of AP Jade Limited ("AP Jade") which in turn was a wholly-owned subsidiary of Allied Properties (H.K.) Limited ("APL"). AGL directly and indirectly (through Capscore Limited, Citiwealth Investment Limited and Sunhill Investments Limited, all being direct wholly-owned subsidiaries of AGL) owned 100% of the total number of issued shares of APL. AGL was therefore deemed to have interests in the Shares in which AP Emerald was interested.

3. These included the deemed interests in:

   (a) 382,000 unvested Shares out of a total of 573,000 Shares granted to Mr. Edwards on 20 April 2025 under the SHK Employee Ownership Scheme ("EOS") and were subsequently accepted by Mr. Edwards. Such awarded Shares are subject to a vesting scale in tranches whereby one-third thereof (i.e. 191,000 Shares) vested and became unrestricted from 20 April 2026, another one-third thereof will vest and become unrestricted from 20 April 2027, and the remaining one-third thereof will vest and become unrestricted from 20 April 2028; and

   (b) 705,000 Shares granted to Mr. Edwards on 20 April 2026 under the EOS and were subsequently accepted by Mr. Edwards. Such awarded Shares are subject to a vesting scale in tranches whereby one-third thereof (i.e. 235,000 Shares) will vest and become unrestricted from 20 April 2027, another one-third thereof will vest and become unrestricted from 20 April 2028, and the remaining one-third thereof will vest and become unrestricted from 20 April 2029.

4. These included the deemed interests in:

   (a) 209,000 unvested Shares out of the total of 627,000 Shares granted to Mr. McGraw on 20 April 2024 under the EOS and were subsequently accepted by Mr. McGraw. Such awarded Shares are subject to a vesting scale in tranches whereby one-third thereof (i.e. 209,000 Shares) vested and became unrestricted from 20 April 2025, another one-third thereof vested and became unrestricted from 20 April 2026, and the remaining one-third thereof will vest and become unrestricted from 20 April 2027;

   (b) 352,000 unvested Shares out of the total of 528,000 Shares granted to Mr. McGraw on 20 April 2025 under the EOS and were subsequently accepted by Mr. McGraw. Such awarded Shares are subject to a vesting scale in tranches whereby one-third thereof (i.e. 176,000 Shares) vested and became unrestricted from 20 April 2026, another one-third thereof will vest and become unrestricted from 20 April 2027, and the remaining one-third thereof will vest and become unrestricted from 20 April 2028; and

   (c) 564,000 Shares granted to Mr. McGraw on 20 April 2026 under the EOS and were subsequently accepted by Mr. McGraw. Such awarded Shares are subject to a vesting scale in tranches whereby one-third thereof (i.e. 188,000 Shares) will vest and become unrestricted from 20 April 2027, another one-third thereof will vest and become unrestricted from 20 April 2028, and the remaining one-third thereof will vest and become unrestricted from 20 April 2029.

(B) Interests in the shares and debentures of associated corporations

Name of Director	Associated corporation	Capacity	Number of shares/amount of debentures	Approximate % of the total number of issued shares in class
Lee Seng Huang ("Mr. Lee") *(Note 1)*	AGL	Trustee *(Note 2)*	2,652,520,760	75.49%
	Tian An China Investments Company Limited ("TACI")	Interests of controlled corporation *(Note 3)*	869,311,096	59.29%
	Tian An Australia Limited ("TIA")	Interests of controlled corporation *(Note 4)*	67,300,196	77.70%
	Asiasec Properties Limited ("Asiasec")	Interests of controlled corporation *(Note 5)*	930,376,898	74.98%
	Tian An Medicare Limited ("TAMC")	Interests of controlled corporation *(Note 6)*	556,097,010	55.03%
	MCIP CI I Limited ("MCIP CI") *(Note 7)*	Beneficial owner	5 *(Note 8)*	33.33%
	Sun Hung Kai & Co. (BVI) Limited ("SHK BVI") *(Note 9)*	Beneficial owner	US$9,300,000 *(Note 10(a))*	N/A
		Interests of controlled corporation	US$35,000,000 *(Note 10(b))*	N/A
		Other Interests	US$2,000,000 *(Note 10(c))*	N/A
Brendan James McGraw	SHK Latitude Alpha Fund *(Note 11)*	Beneficial owner	101.71 *(Note 12)*	0.10%

Notes:

1. Mr. Lee, by virtue of his interests in AGL, was deemed to be interested in the shares of the subsidiaries of AGL, which are associated corporations of the Company as defined under the SFO.

   A waiver application was submitted to The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for exemption from disclosing in this report Mr. Lee's deemed interests in the shares of such associated corporations of the Company as recorded in the Section 352 Register (other than interests in shares of listed companies), and the waiver was granted by the Stock Exchange on 29 July 2026.

2. Mr. Lee is one of the trustees of Lee and Lee Trust, being a discretionary trust which indirectly controlled 2,652,520,760 shares of AGL.

3. This referred to the same interest held indirectly by AGL in TACI.

4. This referred to the same interest held indirectly by AGL in TIA through TACI.

5. This referred to the same interest held indirectly by AGL in Asiasec through TACI.

6. This referred to the same interest held indirectly by AGL in TAMC through TACI.

7. MCIP CI was a non wholly-owned subsidiary of the Company and therefore was an associated corporation of the Company as defined under the SFO.

8. This referred to non-voting participating class C shares in the issued share capital of MCIP CI.

9. SHK BVI was a wholly-owned subsidiary of the Company and therefore was an associated corporation of the Company as defined under the SFO.

10(a). These represented the interests held by Mr. Lee in the 6.75% Guaranteed Notes due 2029 issued by SHK BVI ("2029 Notes").

10(b). This represented the interests held by subsidiaries of AGL in the 2029 Notes. Mr. Lee was deemed to be interested in the 2029 Notes by virtue of his interest in AGL.

10(c). This represented the interests held by a controlled corporation of a trust in the 2029 Notes. Mr. Lee is a beneficiary under the trust.

11. SHK Latitude Alpha Fund was a non wholly-owned subsidiary of the Company and therefore was an associated corporation of the Company as defined under the SFO.

12. This referred to non-voting participating redeemable Class A1 shares in the issued share capital of SHK Latitude Alpha Fund.

All interests stated above represented long positions. As at 30 June 2026, none of the Directors held any short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations.

Save as disclosed above, as at 30 June 2026, neither the Directors nor the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the Section 352 Register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 June 2026, the following shareholders had interests in the Shares as recorded in the register required to be kept under Section 336 of the SFO (the "SFO Register"):

Name of Shareholder	Capacity	Number of Shares	Approximate % of the total number of issued Shares
AGL	Interests of controlled corporation *(Note 1)*	1,444,479,575	73.55%
Lee and Lee Trust	Interests of controlled corporation *(Note 2)*	1,444,479,575	73.55%
Lee Su Hwei	Interests of controlled corporation and interests of spouse *(Note 3)*	1,465,684,265	74.63%

Notes:

1. The interests were held by AP Emerald, a wholly-owned subsidiary of AP Jade which in turn was a wholly-owned subsidiary of APL. AGL directly and indirectly (through Capscore Limited, Citiwealth Investment Limited and Sunhill Investments Limited, all being direct wholly-owned subsidiaries of AGL) owned 100% of the total number of issued shares of APL. AGL was therefore deemed to have interests in the Shares in which AP Emerald was interested.

2. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang (a Director) are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 75.50% of the total number of issued shares of AGL (inclusive of Mr. Lee Seng Hui's personal interests) and was therefore deemed to have an interest in the Shares in which AGL was interested through AP Emerald.

3. This represented interests in (i) same parcel of Shares in which the Lee and Lee Trust was deemed to have an interest; and (ii) 21,204,690 Shares held by Mr. Chen Yue Jia James, the spouse of Ms. Lee Su Hwei.

All interests stated above represented long positions. As at 30 June 2026, no short positions were recorded in the SFO Register of the Company.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other persons who had interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company pursuant to Part XV of the SFO.

CORPORATE GOVERNANCE

Corporate Governance Code

During the six months ended 30 June 2026, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules, except for certain deviations which are summarised below:

(a) Code Provision C.2.1

Code provision C.2.1 of the CG Code stipulates that the roles of the chairman and chief executive should be separate and should not be performed by the same individual. Under the current organisational structure of the Company, the functions of a chief executive are performed by the Group Executive Chairman, Mr. Lee Seng Huang, in conjunction with the Deputy Chief Executive Officer, Mr. Antony James Edwards ("Mr. Antony Edwards"), and the Group Chief Financial Officer, Mr. Brendan James McGraw ("Mr. Brendan McGraw"). The Group Executive Chairman oversees the Group's Investment Management business with support from the management team of the division, as well as its interest in United Asia Finance Limited ("UAF") whose day-to-day management lies with its designated Chief Executive Officer. Mr. Antony Edwards assists the Group Executive Chairman on the strategic development of the Group and providing management oversight support to Alternative Solutions business, whilst Mr. Brendan McGraw assists the Group Executive Chairman to oversee the Group's financial, operational, treasury and risk management functions.

The board of Directors of the Company (the "Board") believes that this structure spreads the workload that would otherwise be borne by an individual chief executive, allowing the growing businesses of the Group to be overseen by appropriately qualified and experienced senior executives in those fields. Furthermore, it enhances communications and speeds up the decision-making process across the Company. The Board also considers that this structure will not impair the balance of power and authority between the Board and management of the Company. An appropriate balance can be maintained by the operation of the Board, which holds at least four regular meetings a year to discuss business and operational issues of the Group.

(b) Code Provisions E.1.2 and D.3.3

Code provisions E.1.2 and D.3.3 of the CG Code stipulate that the terms of reference of the remuneration committee and audit committee should include, as a minimum, those specific duties as set out in the respective code provisions.

The terms of reference of the Remuneration Committee adopted by the Company are in compliance with the code provision E.1.2 of the CG Code, except that the Remuneration Committee shall make recommendations to the Board on the remuneration packages of the Executive Directors only and not senior management (as opposed to executive directors and senior management under the code provision).

The terms of reference of the Audit Committee adopted by the Company are in compliance with the code provision D.3.3 of the CG Code, except that the Audit Committee shall (i) recommend (as opposed to implement under the code provision) the policy on the engagement of the external auditor to supply non-audit services; (ii) only possesses the effective ability to scrutinise (as opposed to ensure under the code provision) whether management has performed its duty to have effective risk management and internal control systems; (iii) can promote (as opposed to ensure under the code provision) co-ordination between the internal and external auditors; and (iv) can check (as opposed to ensure under the code provision) whether the internal audit function is adequately resourced and has appropriate standing within the Company.

The reasons for the above deviations had been set out in the Corporate Governance Report (the "2025 CG Report") contained in the Company's annual report for the financial year ended 31 December 2025. The Board considers that the Remuneration Committee and the Audit Committee should continue to operate according to their respective terms of reference as adopted by the Company. The Board will review the terms of reference at least annually and make appropriate changes if considered necessary.

Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specific enquiries being made by the Company, that they have complied with the required standard as set out in the Model Code throughout the period under review.

OTHER INFORMATION

Interim Dividend

The Board has declared an interim dividend of HK13 cents per Share for the six months ended 30 June 2026 (2025: HK12 cents per Share) payable to the shareholders whose names appear on the register of members of the Company on 10 September 2026. Dividend warrants for the interim dividend are expected to be dispatched on 21 September 2026.

Closure of Register of Members

The register of members of the Company will be closed from 8 September 2026 to 10 September 2026 (both days inclusive), during which period no transfer of shares will be registered. The ex-dividend date will be 4 September 2026. In order to qualify for entitlement to the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's registrar, Tricor Investor Services Limited of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 7 September 2026.

Changes in Directors' Information

The changes in Directors' information since the publication of the 2025 annual report of the Company which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

(a) Position held with the Company

– Mr. Antony Edwards, an Executive Director, was appointed as a member of the Executive Committee of the Company with effect from 28 May 2026.

(b) Experience in other directorships and major appointments

– Mr. Evan Au Yang Chi Chun retired from HKTDC's Innovation and Technology Advisory Committee with effect from 31 March 2026.

– Ms. Jacqueline Alee Leung completed her term as a co-opted member of the Advisory Committee on Donation and Development Matters (ACDDM) of the Hospital Authority, which concluded on 24 April 2026.

– Mr. Wayne Robert Porritt was appointed as a non-independent director and a member of the Strategy Committee of Luyang Energy-Saving Materials Co., Ltd., a company listed on the Shenzhen Stock Exchange, with effect from 19 May 2026. In addition, he stepped down as a director of the Bruny Island Cheese Co. group of companies with effect from 31 July 2026 following the successful restructuring of the group.

(c) Directors' emoluments

– Changes in the emoluments of Mr. Antony Edwards during the period as disclosed in the 2025 CG Report. In addition, the Board approved a further increase in Mr. Antony Edwards' monthly salary to HK$385,000 with effect from 1 July 2026, due to the expansion of his role and responsibilities in the Group.

Purchase, Sale or Redemption of Securities

(1) Repurchase of Shares

During the six months ended 30 June 2026, the Company repurchased a total of 2,849,000 Shares on the Stock Exchange at an aggregate consideration (before expenses) of HK$11,556,610. Of the repurchased Shares, 1,212,000 were cancelled during the period, while the remaining 1,637,000 were cancelled subsequent to the period end date.

Particulars of the repurchases are as follows:

Month	Number of Shares repurchased	Purchase price per Share Highest	Lowest	Aggregate consideration (before expenses)
		(HK$)	*(HK$)*	*(HK$)*
January	–	–	–	–
February	–	–	–	–
March	–	–	–	–
April	–	–	–	–
May	–	–	–	–
June	2,849,000	4.24	3.91	11,556,610
Total	**2,849,000**			**11,556,610**

(2) Repurchase of Notes of a subsidiary, Sun Hung Kai & Co. (BVI) Limited ("SHK BVI")

During the six months ended 30 June 2026, the Group repurchased an aggregate principal amount of US$154,157,000 of the US$450,000,000 5.00% guaranteed notes due September 2026 (the "2026 Notes") issued by SHK BVI under the US$3,000,000,000 Guaranteed Medium Term Note Programme and listed on the Stock Exchange (stock code: 40831). Of this amount, US$152,017,000 in aggregate principal amount were repurchased by way of tender offer ("Repurchase Tender Offer"). All the repurchased 2026 Notes were cancelled during the period. Details of the Repurchase Tender Offer were disclosed in the Company's announcements dated 13 January 2026, 21 January 2026 and 23 January 2026 respectively.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's or its subsidiaries' listed securities during the six months ended 30 June 2026.

Audit Committee Review

The Audit Committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the unaudited condensed consolidated financial report for the six months ended 30 June 2026. In carrying out this review, the Audit Committee has relied on a review conducted by the Group's external auditors in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants as well as reports obtained from management.

On behalf of the Board
Lee Seng Huang
Group Executive Chairman
Hong Kong, 19 August 2026

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF SUN HUNG KAI & CO. LIMITED

Introduction

We have reviewed the condensed consolidated financial statements of Sun Hung Kai & Co. Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 21 to 46, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
19 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(HK$ Million)	Notes	Six months ended 30/6/2026 Unaudited	30/6/2025 Unaudited
Interest income		**1,786.1**	1,715.8
Other revenue	5	**104.8**	87.4
Total revenue		**1,890.9**	1,803.2
Net investment income	6	**547.4**	974.1
Other gains	7	**56.3**	22.6
Total income		**2,494.6**	2,799.9
Brokerage and commission expenses		**(54.3)**	(55.5)
Advertising and promotion expenses		**(43.9)**	(49.9)
Direct costs and operating expenses		**(97.2)**	(77.0)
Administrative expenses		**(543.9)**	(578.0)
Net exchange losses		**(44.6)**	(23.0)
Net impairment losses on financial assets	8	**(401.2)**	(497.4)
Finance costs		**(334.0)**	(355.7)
Other losses	9	**(65.6)**	(105.2)
		909.9	1,058.2
Share of results of associates		**5.5**	6.6
Share of results of joint ventures		**59.7**	22.6
Profit before taxation	10	**975.1**	1,087.4
Taxation	11	**(115.8)**	(94.0)
Profit for the period		**859.3**	993.4
Profit attributable to:			
– Owners of the Company		**687.9**	887.0
– Non-controlling interests		**171.4**	106.4
		859.3	993.4
Earnings per share	13		
– Basic (HK cents)		**35.2**	45.3
– Diluted (HK cents)		**35.2**	45.3

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(HK$ Million)	Six months ended 30/6/2026 Unaudited	30/6/2025 Unaudited
Profit for the period	**859.3**	993.4
Other comprehensive (expenses) income:		
Items that will not be reclassified to profit or loss		
Fair value (loss) gain on investments in equity instruments at fair value through other comprehensive income, net of tax	**(54.4)**	103.7
Revaluation gains on investment properties transferred from owned properties	**0.9**	0.9
	(53.5)	104.6
Items that may be reclassified subsequently to profit or loss		
Exchange differences arising on translating foreign operations	**165.2**	75.5
Reclassification adjustment to profit or loss on liquidation of subsidiaries	**42.0**	47.7
Share of other comprehensive (expenses) income of associates, net of tax	**(2.5)**	15.1
Share of other comprehensive (expenses) income of joint ventures, net of tax	**(9.3)**	58.6
	195.4	196.9
Other comprehensive income for the period, net of tax	**141.9**	301.5
Total comprehensive income for the period	**1,001.2**	1,294.9
Total comprehensive income attributable to:		
– Owners of the Company	**753.1**	1,138.8
– Non-controlling interests	**248.1**	156.1
	1,001.2	1,294.9

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(HK$ Million)	Notes	30/6/2026 Unaudited	31/12/2025 Audited
Non-current Assets			
Investment properties		**920.8**	939.1
Property and equipment		**317.0**	326.3
Right-of-use assets	14	**248.1**	207.3
Intangible assets		**899.6**	907.3
Goodwill		**2,384.0**	2,384.0
Interest in associates		**126.3**	125.7
Interest in joint ventures		**515.8**	510.0
Financial assets at fair value through other comprehensive income	15	**292.5**	346.9
Financial assets at fair value through profit or loss	15	**12,033.1**	11,353.1
Deferred tax assets		**205.7**	210.8
Amounts due from associates		**65.1**	65.0
Loans and advances to consumer finance customers	16	**4,031.9**	4,016.6
Mortgage loans	17	**210.0**	270.0
Term loans	18	**264.3**	248.6
Prepayments, deposits and other receivables	19	**27.6**	19.6
		22,541.8	21,930.3
Current Assets			
Financial assets at fair value through profit or loss	15	**3,451.0**	2,863.1
Taxation recoverable		**14.0**	15.2
Amounts due from associates		**162.3**	167.6
Loans and advances to consumer finance customers	16	**7,549.3**	7,027.7
Mortgage loans	17	**643.2**	788.6
Term loans	18	**149.2**	155.9
Prepayments, deposits and other receivables	19	**307.2**	384.2
Amounts due from brokers		**465.5**	398.1
Bank deposits	20	**452.9**	513.4
Cash and cash equivalents	20	**4,652.4**	4,464.7
		17,847.0	16,778.5

(HK$ Million)	Notes	30/6/2026 Unaudited	31/12/2025 Audited
Current Liabilities			
Financial liabilities at fair value through profit or loss	15	**137.6**	146.9
Bank and other borrowings	21	**3,859.8**	5,641.9
Creditors and accruals	22	**652.7**	728.4
Amounts due to brokers		**673.9**	221.6
Amount due to a holding company		**7.8**	1.7
Provisions		**63.7**	59.4
Taxation payable		**188.0**	136.7
Other liabilities	23	**378.9**	185.6
Lease liabilities	24	**88.5**	67.1
Notes payable	26	**1,623.2**	2,765.1
		7,674.1	9,954.4
Net Current Assets		**10,172.9**	6,824.1
Total Assets less Current Liabilities		**32,714.7**	28,754.4
Capital and Reserves			
Share capital	25	**8,752.3**	8,752.3
Reserves		**13,998.2**	13,585.9
Equity attributable to owners of the Company		**22,750.5**	22,338.2
Non-controlling interests		**3,213.9**	3,193.7
Total Equity		**25,964.4**	25,531.9
Non-current Liabilities			
Financial liabilities at fair value through profit or loss	15	**686.0**	644.3
Deferred tax liabilities		**132.1**	133.3
Bank and other borrowings	21	**3,841.7**	2,331.3
Provisions		**1.3**	1.0
Lease liabilities	24	**136.0**	112.6
Notes payable	26	**1,953.2**	–
		6,750.3	3,222.5
		32,714.7	28,754.4

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company									
(HK$ Million)	Share capital	Shares held for Employee Ownership Scheme	Employee share-based compensation reserve	Exchange reserve	Revaluation reserve	Capital reserves	Retained earnings	Total	Non-controlling interests	Total equity
At 1 January 2026	**8,752.3**	**(32.7)**	**7.9**	**(250.9)**	**(40.3)**	**110.1**	**13,791.8**	**22,338.2**	**3,193.7**	**25,531.9**
Profit for the period	–	–	–	–	–	–	687.9	687.9	171.4	859.3
Other comprehensive income (expenses) for the period	–	–	–	116.2	(51.0)	–	–	65.2	76.7	141.9
Total comprehensive income (expenses) for the period	–	–	–	116.2	(51.0)	–	687.9	753.1	248.1	1,001.2
Recognition of equity-settled share-based payments	–	–	3.9	–	–	–	–	3.9	–	3.9
Purchase of shares for the SHK Employee Ownership Scheme	–	(40.0)	–	–	–	–	–	(40.0)	–	(40.0)
Vesting of shares of the SHK Employee Ownership Scheme	–	5.8	(5.8)	–	–	–	–	–	–	–
Interim dividend paid (Note 12)	–	–	–	–	–	–	(294.7)	(294.7)	–	(294.7)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	(227.9)	(227.9)
Shares repurchased and cancelled	–	–	–	–	–	–	(11.6)	(11.6)	–	(11.6)
Unclaimed dividend forfeited	–	–	–	–	–	–	1.6	1.6	–	1.6
Transfer from capital reserve to retained earnings	–	–	–	–	–	(18.3)	18.3	–	–	–
At 30 June 2026	**8,752.3**	**(66.9)**	**6.0**	**(134.7)**	**(91.3)**	**91.8**	**14,193.3**	**22,750.5**	**3,213.9**	**25,964.4**

	Attributable to owners of the Company									
(HK$ Million)	Share capital	Shares held for Employee Ownership Scheme	Employee share-based compensation reserve	Exchange reserve	Revaluation reserve	Capital reserves	Retained earnings	Total	Non-controlling interests	Total equity
At 1 January 2025	8,752.3	(25.6)	5.1	(445.1)	54.0	113.5	12,693.3	21,147.5	3,105.7	24,253.2
Profit for the period	–	–	–	–	–	–	887.0	887.0	106.4	993.4
Other comprehensive income for the period	–	–	–	151.2	100.6	–	–	251.8	49.7	301.5
Total comprehensive income for the period	–	–	–	151.2	100.6	–	887.0	1,138.8	156.1	1,294.9
Recognition of equity-settled share-based payments	–	–	2.7	–	–	–	–	2.7	–	2.7
Purchase of shares for the SHK Employee Ownership Scheme	–	(11.2)	–	–	–	–	–	(11.2)	–	(11.2)
Vesting of shares of the SHK Employee Ownership Scheme	–	4.1	(4.1)	–	–	–	–	–	–	–
Interim dividend paid (Note 12)	–	–	–	–	–	–	(275.1)	(275.1)	–	(275.1)
Dividends paid to non-controlling interests	–	–	–	–	–	–	–	–	(201.5)	(201.5)
Transfer from capital reserve to retained earnings	–	–	–	–	–	(1.1)	1.1	–	–	–
At 30 June 2025	8,752.3	(32.7)	3.7	(293.9)	154.6	112.4	13,306.3	22,002.7	3,060.3	25,063.0

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(HK$ Million)	Six months ended 30/6/2026 Unaudited	30/6/2025 Unaudited
Operating activities		
Cash used in operations		
– Change in loans and advances to consumer finance customers	**(918.8)**	(612.9)
– Change in mortgage loans	**200.3**	393.4
– Change in term loans	**4.9**	(182.4)
– Change in financial assets at fair value through profit or loss	**(469.7)**	105.1
– Change in amounts due from brokers	**(67.4)**	(134.1)
– Change in amounts due to brokers	**452.3**	17.6
– Other operating cash flows	**(429.9)**	(320.5)
	(1,228.3)	(733.8)
Dividends received from equity investments	**35.9**	31.5
Interest received	**1,761.7**	1,670.9
Interest paid	**(274.7)**	(308.1)
Taxation paid	**(56.1)**	(41.0)
Net cash from operating activities	**238.5**	619.5
Investing activities		
Purchase of property and equipment	**(2.6)**	(5.5)
Purchase of intangible assets	**(0.1)**	(0.4)
Refund of deposits of right-of-use assets	**1.0**	0.8
Payment of deposits of property and equipment	**(1.0)**	(0.5)
Proceeds on disposal of property and equipment	**0.1**	–
Proceeds on disposal of intangible assets	**25.1**	–
Acquisition of a subsidiary	**(8.2)**	–
Dividends received from a joint venture	**44.7**	–
Dividends received from an associate	**0.4**	9.4
Purchase of financial assets at fair value through other comprehensive income	**–**	(20.6)
Purchase of long-term financial assets at fair value through profit or loss	**(1,284.6)**	(195.7)
Proceeds from disposal of long-term financial assets as at fair value through profit or loss	**997.9**	216.5
Placement of fixed deposits with banks	**(449.4)**	(1,017.9)
Withdrawal of fixed deposits with banks	**520.1**	676.8
Net cash used in investing activities	**(156.6)**	(337.1)

(HK$ Million)	Six months ended 30/6/2026 Unaudited	30/6/2025 Unaudited
Financing activities		
Bank and other borrowings repaid	**(3,307.6)**	(5,437.6)
Bank and other borrowings raised	**3,075.5**	5,037.9
Proceeds from issuance of notes	**1,942.1**	–
Payment of loan arrangement fees	**(15.1)**	(1.2)
Repurchase of notes	**(1,197.3)**	(94.3)
Repayment of notes	**–**	(100.0)
Lease payments	**(52.3)**	(57.2)
Shares repurchased and cancelled	**(11.6)**	–
Purchase of shares for the SHK Employee Ownership Scheme	**(40.0)**	(11.2)
Dividends paid	**(294.7)**	(275.1)
Dividends to non-controlling interests	**(227.9)**	(201.5)
Distribution to third-party interests in consolidated structured entities	**(22.0)**	(18.1)
Contribution from third-party interests in consolidated structured entities	**183.9**	19.6
Net cash from (used in) financing activities	**33.0**	(1,138.7)
Net increase (decrease) in cash and cash equivalents	**114.9**	(856.3)
Cash and cash equivalents at 1 January	**4,464.7**	4,327.4
Effect of foreign exchange rate changes	**72.8**	31.4
Cash and cash equivalents at 30 June	**4,652.4**	3,502.5

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Disclosure in Accordance with Section 436 of the Hong Kong Companies Ordinance

The financial information relating to the financial year ended 31 December 2025 included in these condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. Summary of Material Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements.

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
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. Segment Information

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

	Six months ended 30 June 2026					
	Credit Business					
(HK$ Million)	Consumer Finance	Mortgage Loans	Investment Management	Alternative Solutions	Group Management and Support	Total
Segment income	1,705.7	62.2	533.0	23.5	174.2	2,498.6
Less: inter-segment income	–	–	–	–	(4.0)	(4.0)
Segment income from external customers	1,705.7	62.2	533.0	23.5	170.2	2,494.6
Segment profit or loss	565.2	26.0	337.7	(0.9)	(18.1)	909.9
Share of results of associates	–	–	5.5	–	–	5.5
Share of results of joint ventures	–	–	59.7	–	–	59.7
Profit (loss) before taxation	565.2	26.0	402.9	(0.9)	(18.1)	975.1
Included in segment profit or loss:						
Interest income	1,630.6	57.0	43.0	2.3	53.2	1,786.1
Net investment income	1.2	2.3	474.8	–	69.1	547.4
Other gains	4.4	–	14.9	–	37.0	56.3
Net exchange (loss) gain	(35.2)	0.1	(5.9)	1.3	(4.9)	(44.6)
Net (recognition) reversal of impairment losses on financial assets	(393.9)	(18.0)	10.7	–	–	(401.2)
Other losses	(11.7)	–	(30.5)	–	(23.4)	(65.6)
Amortisation and depreciation	(46.6)	(1.3)	(0.4)	–	(28.0)	(76.3)
Finance costs	(170.3)	(3.7)	(118.2)	–	(41.8)	(334.0)
Less: inter-segment finance costs	–	–	–	–	–	–
Finance costs to external suppliers	(170.3)	(3.7)	(118.2)	–	(41.8)	(334.0)

4. Segment Information (Continued)

(HK$ Million)	Six months ended 30 June 2025					
	Credit Business					
	Consumer Finance	Mortgage Loans*	Investment Management*	Alternative Solutions**	Group Management and Support*	Total
Segment income	1,609.9	99.8	1,148.7	17.2	(65.6)	2,810.0
Less: inter-segment income	–	–	–	–	(10.1)	(10.1)
Segment income from external customers	1,609.9	99.8	1,148.7	17.2	(75.7)	2,799.9
Segment profit or loss	374.6	10.8	977.4	(5.0)	(299.6)	1,058.2
Share of results of associates	–	–	6.6	–	–	6.6
Share of results of joint ventures	–	–	22.6	–	–	22.6
Profit (loss) before taxation	374.6	10.8	1,006.6	(5.0)	(299.6)	1,087.4
Included in segment profit or loss:						
Interest income	1,539.2	97.0	33.9	0.8	44.9	1,715.8
Net investment income	1.1	1.2	1,109.5	(0.6)	(137.1)	974.1
Other gains	10.3	–	1.8	–	10.5	22.6
Net exchange (loss) gain	(59.2)	0.1	41.9	0.9	(6.7)	(23.0)
Net (recognition) reversal of impairment losses on financial assets	(446.1)	(50.0)	(1.4)	–	0.1	(497.4)
Other losses	(13.3)	–	(10.0)	–	(81.9)	(105.2)
Amortisation and depreciation	(53.0)	(1.5)	(0.4)	–	(26.9)	(81.8)
Finance costs	(221.4)	(17.0)	(96.8)	–	(22.4)	(357.6)
Less: inter-segment finance costs	–	1.9	–	–	–	1.9
Finance costs to external suppliers	(221.4)	(15.1)	(96.8)	–	(22.4)	(355.7)

* The comparative figures for Mortgage Loans, Investment Management and Group Management and Support segments were re-presented to align with the changes to segment reporting adopted in 2025 annual report.

** "Funds Management" segment is renamed as "Alternative Solutions" segment to align with the changes to segment reporting adopted in 2025 annual report.

4. Segment Information (Continued)

The geographical information of revenue is disclosed as follows:

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Revenue from external customers by location of operations		
– Hong Kong	**1,713.8**	1,637.5
– People's Republic of China ("PRC")	**177.1**	165.7
	1,890.9	1,803.2

5. Other Revenue

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Service and commission income	**71.5**	59.7
Gross rental income from investment properties	**12.7**	11.4
Management fee income	**3.0**	3.9
Revenue sharing from seeded capital investments	**12.5**	7.5
Distribution fee income	**4.8**	3.8
Performance fee income	**0.3**	1.1
	104.8	87.4

6. Net Investment Income

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Net realised and unrealised (loss) gain on financial assets and liabilities at FVTPL		
– Held for trading	**(98.1)**	173.9
– Not held for trading	**23.5**	714.2
Distribution income from unlisted investments	**586.1**	54.5
Dividends from listed investments	**26.6**	23.0
Dividends from unlisted investments	**9.3**	8.5
	547.4	974.1

7. Other Gains

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Gain on disposal of intangible assets	**19.6**	–
Gain on repurchase of notes	**–**	1.7
Miscellaneous income	**36.7**	20.9
	56.3	22.6

8. Net Impairment Losses on Financial Assets

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Loans and advances to consumer finance customers		
– Net charge of impairment losses	**(485.2)**	(545.7)
– Recoveries of amounts previously written off	**91.3**	96.4
	(393.9)	(449.3)
Mortgage loans		
– Net charge of impairment losses	**(18.4)**	(50.0)
– Recoveries of amounts previously written off	**0.4**	–
	(18.0)	(50.0)
Term loans		
– Net reversal/(charge) of impairment losses	**13.9**	(2.0)
	13.9	(2.0)
Amounts due from associates		
– Net (charge)/reversal of impairment losses	**(3.2)**	0.6
	(3.2)	0.6
Deposits and other receivables		
– Net reversal of impairment losses	**–**	3.3
	–	3.3
	(401.2)	(497.4)

9. Other Losses

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Decrease in fair value of investment properties	**35.5**	98.1
Change in net assets attributable to other holders of consolidated structured entities	**30.1**	4.0
Loss on disposal of property and equipment	**–**	3.1
	65.6	105.2

10. Profit Before Taxation

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Profit before taxation has been arrived at after charging:		
Depreciation of property and equipment	**(17.2)**	(19.4)
Depreciation of right-of-use assets	**(56.2)**	(59.7)
Amortisation of intangible assets		
– Computer software (included in administrative expenses)	**(2.9)**	(2.7)
Payments for short-term leases and leases of low-value assets	**(1.6)**	(2.0)
Interest on bank borrowings and notes payable	**(327.8)**	(350.2)
Interest on lease liabilities	**(6.2)**	(5.5)

11. Taxation

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Current tax		
– Hong Kong	**97.7**	76.3
– PRC	**9.9**	14.4
– Other jurisdiction	**1.9**	0.1
	109.5	90.8
Deferred tax	**6.3**	3.2
	115.8	94.0

Hong Kong Profits Tax is calculated at 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong for the current and prior periods. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2025: 25%). Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and has accounted for the tax as current tax when incurred, if any. During the period ended 30 June 2026, the current tax relating to the Pillar Two model rules (six months ended 30 June 2025: nil) is assessed to be immaterial.

No deferred tax is recognised in other comprehensive income during both periods.

12. Dividends

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Dividends recognised as distribution during the period		
– 2025 second interim dividend of HK15 cents per share (2025: 2024 second interim dividend of HK14 cents per share)	**294.7**	275.1
	294.7	275.1

Subsequent to the end of the interim reporting period, the Board has declared an interim dividend of HK13 cents per share amounting to HK$254.9 million (2025: interim dividend of HK12 cents per share amounting to HK$235.8 million).

13. Earnings per Share

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

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Earnings for the purposes of basic and diluted earnings per share	**687.9**	887.0
Number of shares (in million)		
Weighted average number of ordinary shares for the purposes of basic earnings per share	**1,951.7**	1,958.7
Effect of dilutive potential ordinary shares:		
– Adjustments on the SHK Employee Ownership Scheme	**1.6**	1.0
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**1,953.3**	1,959.7

14. Right-of-Use Assets

The Group leases several assets including leasehold land, office and retail shops and equipment. The average lease term of right-of-use assets are as follows:

	30/6/2026	31/12/2025
Leasehold land	**44.5 years**	44.5 years
Office and retail shops	**4.9 years**	5.9 years
Equipment	**4.8 years**	4.2 years

The analysis of the carrying amount of right-of-use assets by class of underlying asset is as follows:

(HK$ Million)	30/6/2026	31/12/2025
Net carrying amount		
– Leasehold land	**3.3**	3.2
– Office and retail shops	**243.3**	203.6
– Equipment	**1.5**	0.5
	248.1	207.3

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

(HK$ Million)	Six months ended 30/6/2026	30/6/2025
Amount recognised in profit or loss		
– Depreciation of right-of-use assets	**56.2**	59.7
– Interest expenses of lease liabilities	**6.2**	5.5
– Expenses relating to short-term leases and leases of low-value assets	**1.6**	2.0

Additions to right-of-use assets amount to HK$106.6 million in the interim reporting period (six months ended 30 June 2025: HK$11.6 million).

The total cash outflow for leases amount to HK$60.1 million in the interim reporting period (six months ended 30 June 2025: HK$64.7 million).

15. Financial Assets and Liabilities

The following tables provide analyses of financial assets and liabilities of the Group that are measured at fair value subsequent to initial recognition.

	At 30 June 2026			
	Fair value			
(HK$ Million)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
– Listed equity securities in Hong Kong*	32.1	–	–	32.1
– Listed equity securities outside Hong Kong*	251.9	–	–	251.9
– Unlisted overseas equity securities*	–	–	8.5	8.5
	284.0	–	8.5	292.5
Financial assets at fair value through profit or loss				
– Listed equity securities in Hong Kong	196.8	–	–	196.8
– Listed equity securities outside Hong Kong	981.3	–	–	981.3
– Unlisted equity securities in Hong Kong	–	–	1.0	1.0
– Unlisted equity securities outside Hong Kong	–	–	140.4	140.4
– Over the counter derivatives	–	107.5	–	107.5
– Quoted options and futures	25.2	1.7	–	26.9
– Listed warrants	0.2	–	–	0.2
– Bonds and notes	–	33.5	241.1	274.6
– Loans receivable	–	–	68.8	68.8
– Unlisted preferred and ordinary shares issued by unlisted companies	–	1.9	648.3	650.2
– Unlisted convertible bonds issued by a listed company	–	–	144.8	144.8
– Unlisted convertible bonds issued by an unlisted company	–	–	8.8	8.8
– Unlisted overseas equity securities with a put right	–	–	234.1	234.1
– Equity participation right	–	70.0	–	70.0
– Unlisted overseas investment funds	821.2	4,042.0	7,715.5	12,578.7
	2,024.7	4,256.6	9,202.8	15,484.1
Analysed for reporting purposes as:				
– Non-current assets				12,033.1
– Current assets				3,451.0
				15,484.1
Financial liabilities at fair value through profit or loss				
Held for trading				
– Quoted futures and options	45.3	7.5	–	52.8
– Foreign currency contracts	–	2.0	–	2.0
– Over the counter derivatives	–	42.5	–	42.5
– Short position in listed equity securities	7.4	–	–	7.4
– Listed equity securities outside Hong Kong under total return swap	0.1	–	–	0.1
– Unlisted equity securities outside Hong Kong under total return swap	–	–	13.0	13.0
Designated at fair value through profit or loss				
– Unlisted preferred and ordinary shares issued by unlisted companies under total return swap	–	–	19.8	19.8
– Unlisted overseas investment funds under total return swap	–	–	686.0	686.0
	52.8	52.0	718.8	823.6
Analysed for reporting purposes as:				
– Non-current liabilities				686.0
– Current liabilities				137.6
				823.6

15. Financial Assets and Liabilities (Continued)

	At 31 December 2025			
	Fair value			
(HK$ Million)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
– Listed equity securities in Hong Kong*	39.8	–	–	39.8
– Listed equity securities outside Hong Kong*	298.6	–	–	298.6
– Unlisted overseas equity securities*	–	–	8.5	8.5
	338.4	–	8.5	346.9
Financial assets at fair value through profit or loss				
– Listed equity securities in Hong Kong	122.7	–	–	122.7
– Listed equity securities outside Hong Kong	752.1	–	–	752.1
– Unlisted equity securities in Hong Kong	–	–	1.0	1.0
– Unlisted equity securities outside Hong Kong	–	–	276.5	276.5
– Over the counter derivatives	–	57.6	–	57.6
– Quoted options and futures	5.7	28.9	–	34.6
– Listed warrants	0.2	–	–	0.2
– Bonds and notes	–	85.3	211.9	297.2
– Loans receivable	–	–	71.0	71.0
– Unlisted preferred and ordinary shares issued by unlisted companies	–	1.9	665.7	667.6
– Unlisted convertible bonds issued by a listed company	–	–	137.8	137.8
– Unlisted convertible bonds issued by an unlisted company	–	–	8.6	8.6
– Unlisted overseas equity securities with a put right	–	–	206.6	206.6
– Equity participation right	–	70.0	–	70.0
– Unlisted overseas investment funds	1,198.7	2,999.1	7,314.9	11,512.7
	2,079.4	3,242.8	8,894.0	14,216.2
Analysed for reporting purposes as:				
– Non-current assets				11,353.1
– Current assets				2,863.1
				14,216.2
Financial liabilities at fair value through profit or loss				
Held for trading				
– Quoted futures and options	14.8	27.8	–	42.6
– Foreign currency contracts	–	19.0	–	19.0
– Over the counter derivatives	–	23.8	–	23.8
– Short position in listed equity securities	18.9	–	–	18.9
– Listed equity securities outside Hong Kong under total return swap	0.1	–	–	0.1
– Unlisted equity securities outside Hong Kong under total return swap	–	–	25.7	25.7
Designated at fair value through profit or loss				
– Unlisted preferred and ordinary shares issued by unlisted companies under total return swap	–	–	16.8	16.8
– Unlisted overseas investment funds under total return swap	–	–	644.3	644.3
	33.8	70.6	686.8	791.2
Analysed for reporting purposes as:				
– Non-current liabilities				644.3
– Current liabilities				146.9
				791.2

* The above listed equity securities represent ordinary shares of entities listed in Hong Kong or overseas. The above unlisted equity securities represent the Group's equity interest in private entities established overseas. These investments are not held for trading, instead, they are held for long-term strategic purposes. The management has elected to designate these investments in equity instruments as at fair value through other comprehensive income as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

15. Financial Assets and Liabilities (Continued)

On the basis of its analysis of the nature, characteristics and risks of the equity securities, the Group has determined that presenting them by nature and type of issuers is appropriate.

Fair values are grouped from Level 1 to 3 based on the degree to which the fair values are observable.

- Level 1 fair value measurements are those based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 fair value measurements are those derived from input other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair value measurement for the asset or liability that are not based on observable market data (significant unobservable inputs).

The fair values of bonds and notes and over-the-counter derivative contracts under Level 2 at the reporting date were derived from quoted prices from pricing services. Other Level 2 financial assets were derived from observable market inputs with insignificant adjustments.

Where Level 1 and Level 2 inputs are not available in estimating the fair values, the Group engages external valuers or establishes appropriate valuation techniques internally to perform the valuations which are reviewed by management. The fair values of Level 3 financial assets and liabilities are derived from valuation techniques using an unobservable range of data as a significant input to the fair value.

The following tables provide further information regarding the valuation of material financial assets and liabilities under Level 3.

	At 30 June 2026				
	Valuation technique	Significant unobservable inputs (Note 2)	Input values	Fair value HK$ Million	Sensitivity analysis – relationship of increase in unobservable input to fair value
Financial assets at fair value through profit or loss					
Unlisted equity securities in Hong Kong	Net asset value	Note 1	Note 1	1.0	Note 1
Unlisted equity securities outside Hong Kong	Market approach	Enterprise value to sales ratio	6.9	140.4	Increase in the fair value.
Bonds and notes	Net asset value	Note 1	Note 1	241.1	Note 1
Loans receivable	Discounted cash flow	Discount rate	7.4%	68.8	Decrease in the fair value.
Unlisted preferred and ordinary shares issued by unlisted companies	Discounted cash flow	Discount rate	6.08%	49.2	Decrease in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	65.79%	1.2	Decrease in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method Market approach	Expected volatility Enterprise value to sales ratio	80.18% 16.85	89.0	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method Market approach	Expected volatility Price to book ratio	42.26% 1.2	49.8	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	56.63%	224.8	Decrease in the fair value.

15. Financial Assets and Liabilities (Continued)

	At 30 June 2026				
	Valuation technique	Significant unobservable inputs (Note 2)	Input values	Fair value HK$ Million	Sensitivity analysis – relationship of increase in unobservable input to fair value
Financial assets at fair value through profit or loss					
Unlisted preferred shares issued by an unlisted company	Equity allocation method Market approach	Expected volatility Price to sales ratio	90.57% 2.7	2.0	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method Market approach	Expected volatility Enterprise value to sales ratio	57.85% 7.6	0.1	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	64.79%	3.5	Decrease in the fair value.
Unlisted preferred shares issued by unlisted companies	Net asset value	Note 1	Note 1	15.0	Note 1
Unlisted redeemable preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	29.36%	135.1	Decrease in the fair value.
Unlisted ordinary shares issued by unlisted companies	Equity allocation method	Expected volatility	40.44%	3.6	Decrease in the fair value.
Unlisted ordinary shares issued by unlisted companies	Equity allocation method	Expected volatility Price to sales ratio	93.43% 7.3	4.1	Decrease in the fair value. Increase in the fair value.
Unlisted ordinary shares issued by unlisted companies	Net asset value	Note 1	Note 1	52.5	Note 1
Unlisted ordinary shares issued by unlisted companies	Equity allocation method	Expected volatility	29.36%	18.4	Decrease in the fair value.
Unlisted convertible bonds issued by a listed company	Binomial model	Discount rate Volatility	17.08% 118.20%	144.8	Decrease in the fair value. Decrease in the fair value.
Unlisted convertible bonds issued by an unlisted company	Binomial model	Discount rate Volatility	3.7% 28.78%	8.8	Decrease in the fair value. Decrease in the fair value.
Unlisted overseas equity securities with a put right	Market approach	Price to book ratio	1.2	234.1	Increase in the fair value.
Unlisted overseas investment funds	Net asset value	Note 1	Note 1	7,663.5	Note 1
Unlisted overseas investment funds	Market approach	Enterprise value to sales ratio	8.3	16.8	Increase in the fair value.
Unlisted overseas investment funds	Market approach	Price to sales ratio	4.3	35.2	Increase in the fair value.
Financial liabilities at fair value through profit or loss					
Unlisted equity securities outside Hong Kong under total return swap	Market approach	Enterprise value to sales ratio	6.9	13.0	Increase in the fair value.
Unlisted overseas investment funds under total return swap	Net asset value	Note 1	Note 1	686.0	Note 1

15. Financial Assets and Liabilities (Continued)

	At 31 December 2025				
	Valuation technique	Significant unobservable inputs (Note 2)	Input values	Fair value HK$ Million	Sensitivity analysis – relationship of increase in unobservable input to fair value
Financial assets at fair value through profit or loss					
Unlisted equity securities in Hong Kong	Net asset value	Note 1	Note 1	1.0	Note 1
Unlisted equity securities outside Hong Kong	Market approach	Enterprise value to sales ratio	14.4	276.5	Increase in the fair value.
Bonds and notes	Net asset value	Note 1	Note 1	211.9	Note 1
Loans receivable	Discounted cash flow	Discount rate	7.40%	71.0	Decrease in the fair value.
Unlisted preferred and ordinary shares issued by unlisted companies	Discounted cash flow	Discount rate	6.14%	49.2	Decrease in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	64.6%	1.2	Decrease in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method Market approach	Expected volatility Enterprise value to sales ratio	83.31% 26.48	107.2	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method Market approach	Expected volatility Price to book ratio	37.43% 1.6	69.4	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	66.89%	221.5	Decrease in the fair value.
Unlisted preferred shares issued by an unlisted company	Equity allocation method Market approach	Expected volatility Price to sales ratio	90.57% 2.7	1.9	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method Market approach	Expected volatility Enterprise value to sales ratio	54.20% 9.0	0.2	Decrease in the fair value. Increase in the fair value.
Unlisted preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	64.86%	3.4	Decrease in the fair value.
Unlisted preferred shares issued by unlisted companies	Net asset value	Note 1	Note 1	14.9	Note 1
Unlisted redeemable preferred shares issued by unlisted companies	Equity allocation method	Expected volatility	28.92%	120.2	Decrease in the fair value.
Unlisted ordinary shares issued by unlisted companies	Equity allocation method	Expected volatility	39.66%	5.4	Decrease in the fair value.

15. Financial Assets and Liabilities (Continued)

	At 31 December 2025				
	Valuation technique	Significant unobservable inputs (Note 2)	Input values	Fair value HK$ Million	Sensitivity analysis – relationship of increase in unobservable input to fair value
Financial assets at fair value through profit or loss					
Unlisted ordinary shares issued by unlisted companies	Equity allocation method	Expected volatility	92.28%	7.7	Decrease in the fair value.
Unlisted ordinary shares issued by unlisted companies	Net asset value	Note 1	Note 1	44.9	Note 1
Unlisted ordinary shares issued by unlisted companies	Equity allocation method	Expected volatility	28.92%	18.6	Decrease in the fair value.
Unlisted convertible bonds issued by a listed company	Binomial model	Discount rate Volatility	15.68% 106.57%	137.8	Decrease in the fair value. Decrease in the fair value.
Unlisted convertible bonds issued by an unlisted company	Binomial model	Discount rate Volatility	3.21% 27.60%	8.6	Decrease in the fair value. Decrease in the fair value.
Unlisted overseas equity securities with a put right	Market approach	Price to book ratio	1.3	206.6	Increase in the fair value.
Unlisted overseas investment funds	Net asset value	Note 1	Note 1	7,246.3	Note 1
Unlisted overseas investment funds	Market approach	Enterprise value to sales ratio	8.9	19.0	Increase in the fair value.
Unlisted overseas investment funds	Market approach	Price to sales ratio	4.8	44.0	Increase in the fair value.
Unlisted overseas investment funds	Market approach	Price to sales ratio	6.7	5.6	Increase in the fair value.
Financial liabilities at fair value through profit or loss					
Unlisted equity securities outside Hong Kong under total return swap	Market approach	Enterprise value to sales ratio	14.4	25.7	Increase in the fair value.
Unlisted overseas investment funds under total return swap	Net asset value	Note 1	Note 1	644.3	Note 1

Note 1: The significant unobservable inputs of the investments of the Group are the net asset value of the underlying investments made by the funds/companies. The higher the net asset value of the underlying investments, the higher the fair value of the financial assets at fair value through profit or loss will be. The Group has determined that the reported net asset values provided by the external counterparties represent the fair values of the investments.

Note 2: There is no indication that any changes in the unobservable inputs to reflect reasonably possible alternative assumptions for the investments would result in significantly higher or lower fair value measurements.

Note 3: An investment held by a wholly owned subsidiary of the Group remains to be in level 3 during the period ended 30 June 2026 due to unobservability of significant valuation inputs. Significant assumptions involved in this valuation of fair value of the investment (which is an unlisted oversea equity security) include the probability of success on share transfer which involves legal proceedings in relation to the underlying agreements and share registration, the selection of market multiple and comparable companies, and the estimation of discount for lack of marketability.

15. Financial Assets and Liabilities (Continued)

The reconciliation of financial assets and liabilities under Level 3 fair value measurements is as follows:

	2026							
			Recognised gains or losses					
(HK$ Million)	Balance at 1/1/2026	Transfer^	Profit or loss	Other comprehensive income	Purchase	Disposal	Balance at 30/6/2026	Unrealised gain or loss for the period
Financial assets at fair value through other comprehensive income								
Unlisted overseas equity securities	8.5	–	–	–	–	–	8.5	–
Financial assets at fair value through profit or loss								
Unlisted equity securities in Hong Kong	1.0	–	–	–	–	–	1.0	–
Unlisted equity securities outside Hong Kong	276.5	–	(136.1)	–	–	–	140.4	(136.1)
Bonds and notes	211.9	27.7	21.2	–	–	(19.7)	241.1	14.9
Loans receivable	71.0	–	(2.2)	–	–	–	68.8	(2.2)
Unlisted preferred and ordinary shares issued by unlisted companies	665.7	–	(17.4)	–	–	–	648.3	(17.4)
Unlisted convertible bonds issued by companies	146.4	–	7.2	–	–	–	153.6	7.1
Unlisted overseas equity securities with a put right	206.6	–	27.5	–	–	–	234.1	27.5
Unlisted overseas investment funds	7,314.9	309.9	500.1	–	121.9	(531.3)	7,715.5	224.1
	8,894.0	337.6	400.3	–	121.9	(551.0)	9,202.8	117.9
Financial liabilities at fair value through profit or loss								
Unlisted equity securities outside Hong Kong under total return swap	(25.7)	–	12.7	–	–	–	(13.0)	12.7
Unlisted preferred and ordinary shares issued by unlisted companies under total return swap	(16.8)	–	(3.0)	–	–	–	(19.8)	(3.0)
Unlisted overseas investment funds under total return swap	(644.3)	–	(41.7)	–	–	–	(686.0)	(41.7)
	(686.8)	–	(32.0)	–	–	–	(718.8)	(32.0)

^ The investments were transferred between Level 2 and Level 3 categories and the transfers are primarily attributable to changes in observability of valuation inputs (e.g. availability of recent transaction price) in valuing these investments. Transfers between levels of the fair value hierarchy are deemed to occur at the end of each reporting period.

15. Financial Assets and Liabilities (Continued)

	2025								
				Recognised gains or losses					
(HK$ Million)	Balance at 1/1/2025	Transfer from Level 3 to Level 1*	Transfer between Level 2 and Level 3^	Profit or loss	Other comprehensive income	Purchase	Disposal	Balance at 31/12/2025	Unrealised gain or loss for the year
Financial assets at fair value through other comprehensive income									
Unlisted overseas equity securities	8.5	–	–	–	–	–	–	8.5	–
Financial assets at fair value through profit or loss									
Unlisted equity securities in Hong Kong	–	–	1.0	–	–	–	–	1.0	–
Unlisted equity securities outside Hong Kong	369.8	–	–	(93.3)	–	–	–	276.5	(93.3)
Bonds and notes	195.9	–	–	11.6	–	4.4	–	211.9	11.6
Loans receivable	321.5	–	–	(58.6)	–	103.6	(295.5)	71.0	(58.6)
Unlisted preferred and ordinary shares issued by unlisted companies	603.0	(216.4)	364.2	31.3	–	–	(116.4)	665.7	(38.1)
Unlisted convertible bonds issued by companies	8.3	–	–	(18.5)	–	168.0	(11.4)	146.4	(25.9)
Unlisted overseas equity securities with a put right	404.6	–	–	(198.0)	–	–	–	206.6	(198.0)
Unlisted overseas investment funds	7,225.8	(1,198.7)	143.5	1,627.7	–	875.5	(1,358.9)	7,314.9	996.2
	9,128.9	(1,415.1)	508.7	1,302.2	–	1,151.5	(1,782.2)	8,894.0	593.9
Financial liabilities at fair value through profit or loss									
Unlisted equity securities outside Hong Kong under total return swap	(34.4)	–	–	8.7	–	–	–	(25.7)	8.7
Unlisted preferred and ordinary shares issued by unlisted companies under total return swap	(115.6)	–	–	(5.0)	–	(0.7)	104.5	(16.8)	14.9
Unlisted overseas investment funds under total return swap	(42.9)	–	–	(227.2)	–	(413.3)	39.1	(644.3)	(227.2)
	(192.9)	–	–	(223.5)	–	(414.0)	143.6	(686.8)	(203.6)

* The investments were transferred from Level 3 to Level 1 category, as the investments were previously unlisted measured using a valuation technique with significant unobservable inputs and hence were classified as Level 3 of the fair value hierarchy; they became listed entities with their shares traded in an active market during the year. Therefore, the fair value of the investment was determined based on a published price quotation and was classified as Level 1 of the fair value hierarchy.

^ The investments were transferred between Level 2 and Level 3 categories and the transfers are primarily attributable to changes in observability of valuation inputs (e.g. availability of recent transaction price) in valuing these investments. Transfers between levels of the fair value hierarchy are deemed to occur at the end of each reporting period.

The net gain recognised in profit or loss for the period included an unrealised gain of HK$117.9 million relating to level 3 financial assets at FVTPL as at 30 June 2026 (six months ended 30 June 2025: HK$528.1 million) and unrealised loss of HK$32.0 million relating to level 3 financial liabilities at FVTPL as at 30 June 2026 (six months ended 30 June 2025: gain of HK$4.2 million). Fair value gains or losses on financial assets and liabilities measured at FVTPL are included in "net investment income" in profit or loss.

Save as disclosed elsewhere, the directors of the Company consider that the carrying amounts of financial assets and liabilities measured at amortised cost recognised in the condensed consolidated financial statements approximate their fair values.

16. Loans and Advances to Consumer Finance Customers

(HK$ Million)	30/6/2026	31/12/2025
Loans and advances to consumer finance customers		
– Hong Kong	**10,049.7**	9,714.8
– PRC	**2,299.2**	2,095.3
	12,348.9	11,810.1
Less: impairment allowance	**(767.7)**	(765.8)
	11,581.2	11,044.3
Analysed for reporting purposes as:		
– Non-current assets	**4,031.9**	4,016.6
– Current assets	**7,549.3**	7,027.7
	11,581.2	11,044.3

The loans and advances to consumer finance customers bear interest rate are as follows:

(Per annum)	30/6/2026	31/12/2025
Fixed rate loans receivable	**5.8% to 48.0%**	5.0% to 48.0%
Variable rate loans receivable	**P+4.0%**	P+4.0%

"P" refers to Hong Kong dollars prime rate offered by The Hongkong and Shanghai Banking Corporation Limited from time to time to its prime customers, which is 5% per annum at 30 June 2026 (2025: 5% per annum).

The following is an ageing analysis for the loans and advances to consumer finance customers (net of impairment allowance) that are past due at the reporting date:

(HK$ Million)	30/6/2026	31/12/2025
Less than 31 days past due	**493.7**	561.6
31–60 days	**267.8**	84.7
61–90 days	**50.8**	22.6
91–180 days	**1.4**	3.4
Over 180 days	**57.4**	75.3
	871.1	747.6

17. Mortgage Loans

(HK$ Million)	30/6/2026	31/12/2025
Mortgage loans		
– Hong Kong	**1,009.0**	1,233.0
Less: impairment allowance	**(155.8)**	(174.4)
	853.2	1,058.6
Analysed for reporting purposes as:		
– Non-current assets	**210.0**	270.0
– Current assets	**643.2**	788.6
	853.2	1,058.6

The mortgage loans bear interest rate are as follows:

(Per annum)	30/6/2026	31/12/2025
Fixed rate loans receivable	**9.0% to 21.0%**	9.0% to 21.0%
Variable rate loans receivable	**P+0.5% to P+11.875%**	P+0.5% to P+11.875%

The following is an ageing analysis for the mortgage loans that are past due at the reporting date:

(HK$ Million)	30/6/2026	31/12/2025
Less than 31 days past due	**81.6**	86.6
31–60 days	**18.0**	29.4
61–90 days	**–**	15.4
91–180 days	**7.8**	10.8
Over 180 days	**319.2**	419.0
	426.6	561.2

18. Term Loans

(HK$ Million)	30/6/2026	31/12/2025
Secured term loans	**526.5**	869.4
Unsecured term loans	**59.7**	80.9
	586.2	950.3
Less: impairment allowance	**(172.7)**	(545.8)
	413.5	404.5
Analysed for reporting purposes as:		
– Non-current assets	**264.3**	248.6
– Current assets	**149.2**	155.9
	413.5	404.5

The term loans bear interest rate are as follows:

(Per annum)	30/6/2026	31/12/2025
Fixed rate loans receivable	**7.0% to 19.8%**	7.0% to 19.8%

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

19. Prepayments, Deposits and Other Receivables

(HK$ Million)	30/6/2026	31/12/2025
Rental and other deposits	**74.5**	40.7
Other receivables	**105.9**	254.3
Less: impairment allowance	**(0.7)**	(0.7)
Deposits and other receivables at amortised cost	**179.7**	294.3
Prepayments	**155.1**	109.5
	334.8	403.8
Analysed for reporting purposes as:		
– Non-current assets	**27.6**	19.6
– Current assets	**307.2**	384.2
	334.8	403.8

The following is an ageing analysis of the deposits and other receivables based on date of invoice/contract note at the reporting date, net of allowance for credit losses:

(HK$ Million)	30/6/2026	31/12/2025
Less than 31 days	**18.1**	97.3
Deposits and other receivables without ageing	**161.6**	197.0
Deposits and other receivables at amortised cost	**179.7**	294.3

20. Bank Deposits, Cash and Cash Equivalents

(HK$ Million)	30/6/2026	31/12/2025
Bank balances and cash	**1,608.2**	2,316.2
Fixed deposits with banks with an original maturity within 3 months	**3,044.2**	2,148.5
Cash and cash equivalents	**4,652.4**	4,464.7
Fixed deposits with banks with an original maturity between 4 to 12 months	**452.9**	513.4
	5,105.3	4,978.1

21. Bank and Other Borrowings

(HK$ Million)	30/6/2026	31/12/2025
Bank loans		
– Secured term loans	**100.0**	–
– Unsecured term loans	**7,539.4**	7,911.1
Other borrowings	**62.1**	62.1
	7,701.5	7,973.2
Analysed for reporting purposes as:		
– Current liabilities	**3,859.8**	5,641.9
– Non-current liabilities	**3,841.7**	2,331.3
	7,701.5	7,973.2

At the reporting date, bank and other borrowings were repayable as follows:

(HK$ Million)	30/6/2026	31/12/2025
Bank borrowings		
– Within one year	**3,859.8**	5,641.9
– In the second year	**1,193.4**	1,362.6
– Over two years and within five years	**2,586.2**	906.6
	7,639.4	7,911.1
Other borrowings		
– Over five years	**62.1**	62.1
	7,701.5	7,973.2

22. Creditors and Accruals

The following is an ageing analysis of the creditors and accruals based on the date of invoice/contract note at the reporting date:

(HK$ Million)	30/6/2026	31/12/2025
Less than 31 days	**209.5**	232.2
31–60 days	**6.9**	13.4
61–90 days	**16.0**	13.1
	232.4	258.7
Accrued staff costs, other accrued expenses and creditors without ageing	**420.3**	469.7
	652.7	728.4

23. Other Liabilities

(HK$ Million)	30/6/2026	31/12/2025
Current		
– Third-party interests in consolidated structured entities	**378.9**	185.6

Third-party interests in consolidated structured entities consist of third-party unit holders' interests in these consolidated structured entities which are reflected as liabilities since there is a contractual obligation for the Group to repurchase or redeem the unit for cash. The third-party interests in consolidated structured entities are categorised at level 2 under fair value hierarchy.

The realisation of third-party interests in consolidated funds cannot be predicted with accuracy since these interests represent the interests of third-party unit holders in consolidated funds held to back investment contract liabilities and are subject to market risk and the actions of third-party investors.

24. Lease Liabilities

(HK$ Million)	30/6/2026	31/12/2025
Current liabilities	**88.5**	67.1
Non-current liabilities	**136.0**	112.6
	224.5	179.7

(HK$ Million)	30/6/2026	31/12/2025
Maturity analysis:		
Not later than 1 year	**88.5**	67.1
Later than 1 year and not later than 2 years	**59.5**	39.0
Later than 2 years and not later than 5 years	**53.2**	46.0
Later than 5 years	**23.3**	27.6
	224.5	179.7

25. Share Capital

	Number of shares		Share capital	
	Six months ended 30/6/2026	Year ended 31/12/2025	**Six months ended 30/6/2026**	Year ended 31/12/2025
	Million Shares	Million Shares	**HK$ Million**	HK$ Million
Issued and fully paid				
Balance brought forward	**1,965.0**	1,965.0	**8,752.3**	8,752.3
Shares repurchased and cancelled	**(1.2)**	–	**–**	–
Balance carried forward	**1,963.8**	1,965.0	**8,752.3**	8,752.3

During the period, the trustee of the SHK Employee Ownership Scheme (the "EOS") acquired 9.4 million (six months ended 30 June 2025: 3.8 million) shares of the Company through purchases on the Stock Exchange of Hong Kong Limited for the awarded shares of the EOS. The total amount paid to acquire the shares during the period was HK$40.0 million (six months ended 30 June 2025: HK$11.2 million), which has been deducted from the owners' equity.

During the period, the Company repurchased 2.8 million (six months ended 30 June 2025: nil) of its own ordinary shares through purchases on the Stock Exchange of Hong Kong Limited for HK$11.6 million (six months ended 30 June 2025: nil). 1.2 million (six months ended 30 June 2025: nil) shares were cancelled upon purchase and 1.6 million (six months ended 30 June 2025: nil) shares were cancelled after the end of the reporting period.

26. Notes Payable

(HK$ Million)	**30/6/2026**	31/12/2025
US dollar denominated notes (the "US$ Notes")		
– 5.00% US$ Notes maturing in September 2026 (the "2026 Notes")	**1,563.7**	2,765.1
– 6.75% US$ Notes maturing in January 2029 (the "2029 Notes")	**2,012.7**	–
	3,576.4	2,765.1
Analysed for reporting purposes as:		
– Current liabilities	**1,623.2**	2,765.1
– Non-current liabilities	**1,953.2**	–
	3,576.4	2,765.1

The US$ Notes were issued by a subsidiary, Sun Hung Kai & Co. (BVI) Limited, under a US$3 billion guaranteed medium term note programme.

In January 2026, the Company completed the issuance of US$250.0 million of the 2029 Notes and a tender offer to purchase for cash the outstanding 2026 Notes.

The 2026 Notes are listed on The Stock Exchange of Hong Kong Limited. The nominal value of the 2026 Notes was US$195.9 million or equivalent to HK$1,536.1 million (31/12/2025: US$350.1 million or equivalent to HK$2,724.1 million) at the reporting date. The fair value of the 2026 Notes based on the price quoted from pricing service at the reporting date was HK$1,558.6 million (31/12/2025: HK$2,759.9 million) which was categorised as Level 2.

The 2029 Notes are listed on The Stock Exchange of Hong Kong Limited. The nominal value of the 2029 Notes was US$250.0 million or equivalent to HK$1,960.3 million at the reporting date. The fair value of the 2029 Notes based on the price quoted from pricing service at the reporting date was HK$2,018.9 million which was categorised as Level 2.

26. Notes Payable (Continued)

During the period ended 30 June 2026, the Group has repurchased an aggregate principal amount of US$154.2 million or equivalent to approximately HK$1,197.3 million of the 2026 Notes. Of this amount, US$152.0 million in aggregate principal amount were repurchased by way of tender offer. All repurchased 2026 Notes were cancelled during the period.

During the year ended 31 December 2025, the Group has repurchased an aggregate principal amount of US$26.2 million or equivalent to approximately HK$204.4 million of the 2026 Notes. All repurchased 2026 Notes were cancelled during the year.

27. Related Party Transactions

During the period, the Group entered into the following material transactions with related parties:

	Six months ended	
(HK$ Million)	**30/6/2026**	30/6/2025
Associates and joint ventures of ultimate holding company		
Executive international business travel charge received/receivable from an associate of ultimate holding company	**3.0**	3.0
Building management fees to a joint venture of ultimate holding company	**(2.6)**	(2.6)
Interest expense to a joint venture of ultimate holding company on lease liabilities*	**(1.5)**	(0.6)

	Six months ended	
(HK$ Million)	**30/6/2026**	30/6/2025
Holding company and its subsidiaries		
Executive international business travel charge received/receivable from fellow subsidiaries	**3.0**	3.0
Finance costs to fellow subsidiaries	**(8.9)**	(0.7)
Licence fee paid/payable to a fellow subsidiary	**(0.4)**	(2.0)
Interest expenses to a fellow subsidiary on lease liabilities	**(0.3)**	(0.1)
Management fees paid/payable to a holding company	**(9.5)**	(3.0)
Rental and administration expenses to fellow subsidiaries	**(1.3)**	(0.2)
Interest expense to a holding company on lease liabilities#	**(0.3)**	(0.6)
Other related parties		
Executive international business travel charge received/receivable from related companies	**3.7**	–
Staff and administrative service fee paid/payable to a related company	**(1.7)**	(0.2)
Finance costs to a related company	**(4.6)**	–
Management fee received/receivable from a related company	**0.2**	–
Management fee received/receivable from Group Executive Chairman under the Discretionary Investment Management Agreement	**0.6**	0.4
Finance costs to Group Executive Chairman	**(2.2)**	–
Finance costs to a director of a holding company	**(3.5)**	–
Advisory service fee paid/payable to Vice Chairman and Non-Executive Director of a holding company	**(1.5)**	(1.5)

* As at 30 June 2026, the Group has lease liabilities of HK$60.8 million (31/12/2025: nil) to the joint venture of ultimate holding company. During the six months ended 30 June 2026, the Group recognised additions to right-of-use assets of HK$74.0 million (six months ended 30 June 2025: nil) and additions to lease liabilities of HK$72.5 million (six months ended 30 June 2025: nil) for properties with joint venture of the ultimate holding company.

As at 30 June 2026, the Group has lease liabilities of HK$20.8 million (31/12/2025: HK$14.5 million) to a holding company and its subsidiaries. During the six months ended 30 June 2026, the Group recognised additions to right-of-use assets of HK$14.0 million (six months ended 30 June 2025: nil) and lease liabilities of HK$12.8 million (six months ended 30 June 2025: nil) for properties with a holding company.

27. Related Party Transactions (Continued)

The remuneration of Directors and other members of key management during the period were as follows:

	Six months ended	
(HK$ Million)	**30/6/2026**	30/6/2025
Short-term benefits	**12.5**	12.1
Post-employment benefits	**0.6**	0.6
	13.1	12.7

During the period, 1,269,000 shares (six months ended 30 June 2025: 1,101,000 shares) were granted under the EOS to Directors and other members of key management. In addition, 746,000 shares (six months ended 30 June 2025: 488,000 shares) with a total amount of HK$3.2 million (six months ended 30 June 2025: HK$1.4 million) were vested for Directors and other members of key management during the period. The total dividend payments paid to the Directors and other members of key management during the period is HK$0.3 million (six months ended 30 June 2025: HK$0.2 million). Further details of the EOS are disclosed in the Management Discussion and Analysis section of this interim report.

Loans and credit facilities to key management personnel

During the period, the Group provided credit facilities and loans to key management personnel and their close family member of the Group. The credit facilities and loans were provided in the ordinary course of business and on substantially the same terms as for comparable transactions with persons of a similar standing or, where applicable, with other employees.

(HK$ Million)	**30/6/2026**	31/12/2025
Aggregate amount of relevant loans made by the Group outstanding at	**–**	–
Maximum aggregate amount of relevant loans made by the Group outstanding during the period	**–**	–
Credit facilities to key management personnel of the Group and their close family member	**1.3**	1.3

28. Commitments

(a) Other commitments

(HK$ Million)	**30/6/2026**	31/12/2025
Capital commitments for investments	**3,047.0**	2,705.0
Other capital commitments	**2.0**	0.1
	3,049.0	2,705.1

(b) Lease commitments

The Group as lessee:

At 30 June 2026, the Group is committed to HK$2.5 million (31/12/2025: HK$0.6 million) for short-term leases.

The maturity profile of the lease liabilities are disclosed in note 24.

The Group as lessor:

At 30 June 2026, all of the properties held for rental purpose have committed operating leases for the next 3 years (31/12/2025: 4 years) respectively. Undiscounted lease payments receivables on leases are as follows:

(HK$ Million)	**30/6/2026**	31/12/2025
Within one year	**16.1**	16.2
In the second year	**6.3**	11.8
In the third year	**1.4**	3.3
In the fourth year	**–**	0.4
	23.8	31.7

(c) Loan commitments

(HK$ Million)	**30/6/2026**	31/12/2025
Within one year	**4,577.8**	3,655.6
In the second to fifth years inclusive	**17.5**	–
	4,595.3	3,655.6

29. Financial Risk Management

Risk is inherent in the financial service business and sound risk management is a cornerstone of prudent and successful financial practice. That said, the Group acknowledges that a balance must be achieved between risk control and business growth. The principal financial risks inherent in the Group's business are market risk (includes price risk, interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's risk management objective is to enhance shareholders' value while retaining exposure within acceptable thresholds.

The Group's risk management governance structure is designed to cover all business activities and to ensure all relevant risk classes are properly managed and controlled. The Group has adopted a sound risk management and organisational structure and procedures which are reviewed regularly and enhanced when necessary in response to changes in markets, the Group's operating environment and business strategies. The Group's independent control functions including Internal Audit, play an important role in the provision of assurance to the Board and senior management that a sound internal risk management mechanism is implemented, maintained and adhered to.

(a) Market Risk

(i) Price Risk

There are many asset classes available for investment in the marketplace. One of the Group's key business undertakings is investing in equity. Market risk arising from any equity investment is driven by the daily fluctuations in market prices or fair values. The ability to mitigate such risk depends on the availability of any hedging instruments and the diversification level of the investment portfolios undertaken by the Group. More importantly, the knowledge and experience of the trading staff managing the risk are also vital to ensure exposure is being properly hedged and rebalanced in the most timely manner. Proprietary trading across the Group is subject to limits approved by senior management. Valuation of these instruments is measured on a "mark-to-market" and "mark-to-fair-value" basis depending on whether they are listed or unlisted.

The Group's market-making and proprietary trading positions and their financial performance are reported daily to senior management for review.

(ii) Interest Rate Risk

Interest rate risk is the risk of loss due to changes in interest rates. The Group's interest rate risk exposure arises predominantly from private credit, mortgage loans as well as loans and advances to consumer finance customers. Interest spreads are managed with the objective of maximising spreads to ensure consistency with liquidity and funding obligations.

(iii) Foreign Exchange Risk

Foreign exchange risk is the risk to earnings or capital arising from movements in foreign exchange rates.

The Group's foreign exchange risk primarily arises from currency exposures originating from cash and cash equivalents, proprietary trading positions, private equity investments, real estate investments, loans and advances and bank and other borrowings denominated in foreign currencies, mainly in Australian dollars, British pounds, Euro, Renminbi and Japanese Yen. Foreign exchange risk is managed and monitored by senior management. The risk arises from open currency positions are subject to ratios that are monitored and reported weekly.

(b) Credit Risk

Credit risk arises from the failure of a customer or counterparty to meet settlement obligations. As long as the Group lends, trades and deals with third parties, there will be credit risk exposure.

The Group's credit procedures, governed by the Executive Committee, sets out the credit approval processes and monitoring procedures, which are established in accordance with sound business practices.

The Group takes into consideration forward-looking information that is available without undue cost or effort in its assessment of significant increase in credit risk as well as in its measurement of ECL. The Group employs experts who use external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information includes economic data and forecasts published by governmental bodies and monetary authorities.

29. Financial Risk Management (Continued)

(b) Credit Risk (Continued)

The Group applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Group for strategic planning and budgeting. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. The Group has not changed the estimation techniques or significant assumptions during the reporting period.

(c) Liquidity Risk

The goal of liquidity management is to mitigate risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss or make the required profit. Another goal is to enable the Group, even under adverse market conditions, to actively manage and match funds inflow against all maturing repayment obligations to achieve maximum harmony on cash flow management.

The Group manages its liquidity position to ensure a prudent and adequate liquidity ratio. This is achieved by a transparent and collective monitoring approach across the Group involving Executive Directors (including the Group Chief Financial Officer).

30. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, the management of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those that applied to the audited consolidated financial statements for the year ended 31 December 2025.

31. Comparative Figures

Certain comparative figures have been reclassified to conform with the current period's presentation.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Lee Seng Huang *(Group Executive Chairman)*
Antony James Edwards
Brendan James McGraw

Non-Executive Director

Peter Anthony Curry

Independent Non-Executive Directors

Evan Au Yang Chi Chun
Roger Sewell Bacon *(appointed on 28 May 2026)*
David Craig Bartlett
Alan Stephen Jones
Carlyon John Knight-Evans *(appointed on 28 May 2026)*
Jacqueline Alee Leung
Wayne Robert Porritt
William Thomas Royan

EXECUTIVE COMMITTEE

Lee Seng Huang *(Chairman)*
Antony James Edwards *(appointed on 28 May 2026)*
Brendan James McGraw

NOMINATION COMMITTEE

Lee Seng Huang *(Chairman)*
Evan Au Yang Chi Chun
David Craig Bartlett
Alan Stephen Jones
Jacqueline Alee Leung

REMUNERATION COMMITTEE

Evan Au Yang Chi Chun *(Chairman)*
David Craig Bartlett
Alan Stephen Jones
Jacqueline Alee Leung

AUDIT COMMITTEE

Alan Stephen Jones *(Chairman)*
Evan Au Yang Chi Chun
David Craig Bartlett
Peter Anthony Curry
Carlyon John Knight-Evans *(appointed on 28 May 2026)*
Jacqueline Alee Leung

RISK MANAGEMENT COMMITTEE

Wayne Robert Porritt *(Chairman)*
Evan Au Yang Chi Chun
William Thomas Royan *(appointed on 19 March 2026)*
Antony James Edwards
Brendan James McGraw
Wong Kin Wing
Phoebe Yuen Oi Ying

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Wayne Robert Porritt *(Chairman)*
David Craig Bartlett
Antony James Edwards
Brendan James McGraw
Gary Chan Ming Tak
Samantha Che Chi Wing
Shek Cheuk Man *(appointed on 26 January 2026)*
Yeung Mei
Phoebe Yuen Oi Ying

COMPANY SECRETARY

Lee Sze Wai

INVESTOR RELATIONS

investor.relations@shkco.com

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
35/F, One Pacific Place
88 Queensway
Hong Kong

BANKERS

Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia, Limited
Mizuho Bank, Ltd., Hong Kong Branch
Bank of China (Hong Kong) Limited
Bank of Communications (Hong Kong) Limited
China CITIC Bank International Limited
OCBC Bank (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited
Chong Hing Bank Limited
Dah Sing Bank, Limited
Fubon Bank (Hong Kong) Limited
Public Bank (Hong Kong) Limited
Taipei Fubon Commercial Bank Co., Ltd.
CMB Wing Lung Bank Limited
Taishin International Bank Co., Ltd.
Cathay United Bank Company, Limited, Hong Kong Branch
China Minsheng Banking Corp. Ltd., Hong Kong Branch
Shanghai Pudong Development Bank Co., Ltd.
Hong Kong Branch
Chiyu Banking Corporation Limited
Tai Fung Bank Limited
Mega International Commercial Bank Co., Ltd.,
Offshore Banking Branch
Ping An Bank Co., Ltd., Hong Kong Branch
Bank SinoPac
China Everbright Bank Co., Ltd, Hong Kong Branch
East West Bank
EnTie Commercial Bank
KGI Bank Co., Ltd.
Nanyang Commercial Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
China Zheshang Bank Co., Ltd. (Hong Kong Branch)
Bank of Dongguan Co., Limited
Malayan Banking Berhad

REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

REGISTERED OFFICE

40/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

WEBSITES

www.shkco.com
www.shkcapital.com
www.shkcredit.com.hk
www.uaf.com.hk
www.uaf.com.cn

新鴻基有限公司
SUN HUNG KAI & CO. LIMITED

MIX
Paper | Supporting responsible forestry
FSC
www.fsc.org
FSC™ C004888