



申萬宏源香港
SWHYHK

SHENWAN HONGYUAN (H.K.) LIMITED

申萬宏源（香港）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code : 218)

2026

Interim Report



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Ma Xiaoyong (*Chairman & Chief Executive Officer*)
(appointed on 20 May 2026)
Ms. Wu Meng (*retired on 20 May 2026*)
Mr. Li Shouwei
Mr. Liang Jun (*resigned as CEO on 20 May 2026*)
Ms. Huang Rong (*Chief Financial Officer*)
(appointed on 30 April 2026)
Mr. Hu Jing (*resigned on 13 March 2026*)

Non-executive Directors

Mr. Zhang Lei
Ms. Zhang Ying

Independent Non-executive Directors

Mr. Kwok Lam Kwong Larry
Mr. Liu Chijin
Ms. Chiu Lai Kuen Susanna

AUDIT COMMITTEE

Ms. Chiu Lai Kuen Susanna (*Chairman*)
Mr. Kwok Lam Kwong Larry
Mr. Liu Chijin

REMUNERATION COMMITTEE

Mr. Kwok Lam Kwong Larry (*Chairman*)
Mr. Liu Chijin
Ms. Chiu Lai Kuen Susanna

NOMINATION COMMITTEE

Mr. Ma Xiaoyong (*Chairman*)
(appointed on 20 May 2026)
Ms. Wu Meng (*resigned on 20 May 2026*)
Mr. Kwok Lam Kwong Larry
Mr. Liu Chijin
Ms. Chiu Lai Kuen Susanna

RISK COMMITTEE

Ms. Chiu Lai Kuen Susanna (*Chairman*)
Mr. Li Shouwei
Mr. Liang Jun
Ms. Huang Rong (*appointed on 30 April 2026*)
Mr. Hu Jing (*resigned on 13 March 2026*)
Mr. Kwok Lam Kwong Larry
Mr. Liu Chijin

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr. Ma Xiaoyong (*Chairman*)
(appointed on 20 May 2026)
Ms. Wu Meng (*resigned on 20 May 2026*)
Mr. Liang Jun
Ms. Huang Rong (*appointed on 30 April 2026*)
Mr. Hu Jing (*resigned on 13 March 2026*)
Mr. Kwok Lam Kwong Larry
Mr. Liu Chijin
Ms. Chiu Lai Kuen Susanna

AUTHORISED REPRESENTATIVE

Mr. Liang Jun
Ms. Lin Sio Ngo

COMPANY SECRETARY

Ms. Lin Sio Ngo

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Shanghai (Hong Kong) Limited
China CITIC Bank International Limited
China Construction Bank (Asia) Corporation Limited
China Everbright Bank Co., Ltd., Hong Kong Branch
China Minsheng Banking Corp., Ltd.
Hong Kong Branch
China Zheshang Bank Co., Ltd. (Hong Kong Branch)
Chong Hing Bank Limited
CMB Wing Lung Bank Limited
Industrial and Commercial Bank of China
(Asia) Limited
Industrial Bank Co., Ltd. Hong Kong Branch
Nanyang Commercial Bank, Limited
Shanghai Pudong Development Bank Co., Ltd.,
Hong Kong Branch
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking
Corporation Limited

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants
Public Interest Entity Auditor registered in
accordance with the Financial Reporting
Council Ordinance

REGISTERED OFFICE

Level 6, Three Pacific Place
1 Queen's Road East, Hong Kong

SHARE REGISTRAR & TRANSFER OFFICE

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

WEBSITE

<http://www.swwhyhk.com>

RESULTS

The board of directors (the “Board”) of Shenwan Hongyuan (H.K.) Limited (the “Company”) are pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2026 together with comparative figures for the corresponding period of last year.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		For the six months ended 30 June	
	Notes	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
REVENUE	3	308,022	306,540
— Interest income calculated using the effective interest method		100,867	104,766
— Revenue from contracts with customers within the scope of HKFRS 15		132,494	142,597
— Revenue from other sources		74,661	59,177
Other gains, net	3	35	13,279
Commission expenses		(37,048)	(31,273)
Employee benefit expenses		(97,804)	(122,042)
Depreciation		(18,941)	(24,880)
Interest expenses		(48,576)	(28,501)
Net reversal/(charges) for expected credit losses		328	(3,607)
Other expenses		(37,194)	(49,025)
PROFIT BEFORE TAXATION		68,822	60,491
Income tax	4	(8,244)	(357)
PROFIT FOR THE PERIOD		60,578	60,134
Attributable to:			
Ordinary equity holders of the Company		60,578	60,134
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (BASIC)	5	HK3.88cents	HK3.85cents

Details of the proposed dividend (if any) for the period are disclosed in note 6 to the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
PROFIT FOR THE PERIOD	60,578	60,134
OTHER COMPREHENSIVE INCOME FOR THE PERIOD:		
<i>Items that may be reclassified to the consolidated statement of profit or loss in subsequent periods:</i>		
Financial assets at fair value through other comprehensive income		
— Net movement in revaluation recycling reserve	920	824
Exchange gain on translation of financial statements of foreign operations	—	28
OTHER COMPREHENSIVE INCOME, NET OF TAX	920	852
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	61,498	60,986

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		10,835	11,837
Right-of-use assets		111,396	124,604
Stock and Futures Exchange trading rights		4,212	4,212
Other assets		34,482	44,089
Other financial assets	7	381,831	–
Deferred tax assets		31	31
Total non-current assets		542,787	184,773
CURRENT ASSETS			
Financial assets at fair value through profit or loss	8	5,042,327	5,828,381
Accounts receivable	9	1,442,703	781,244
Loans and advances	10	1,112,894	1,497,285
Prepayments, deposits and other receivables		164,854	140,609
Tax recoverable		2,443	3,080
Bank balances held on behalf of clients	11	4,647,805	3,827,990
Cash and bank balances		1,052,279	889,738
Total current assets		13,465,305	12,968,327
CURRENT LIABILITIES			
Financial liabilities at fair value through profit or loss		2,500,405	3,299,680
Accounts payable	12	5,493,949	4,035,822
Contract liabilities		6,118	4,457
Other payables and accruals		145,865	144,657
Repurchase agreements		596,713	684,478
Interest-bearing bank borrowings	13	1,619,848	1,855,453
Notes issued		703,623	233,852
Lease liabilities		47,446	46,412
Tax payable		540	2,301
Total current liabilities		11,114,507	10,307,112
NET CURRENT ASSETS		2,350,798	2,661,215
TOTAL ASSETS LESS CURRENT LIABILITIES		2,893,585	2,845,988

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Cont'd)

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
NON-CURRENT LIABILITIES		
Deferred tax liabilities	–	425
Lease liabilities	80,953	94,429
Total non-current liabilities	80,953	94,854
NET ASSETS	2,812,632	2,751,134
EQUITY		
Equity attributable to ordinary equity holders of the Company		
Share capital	2,782,477	2,782,477
Other reserves	30,155	(31,343)
TOTAL EQUITY	2,812,632	2,751,134

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to ordinary equity holders of the Company						
	Share capital HK\$'000	Capital reserve HK\$'000	General reserve HK\$'000	Fair value reserve (recycling) HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1 January 2026 (Audited)	2,782,477	15	138	–	(238)	(31,258)	2,751,134
Profit for the period	–	–	–	–	–	60,578	60,578
Other comprehensive income:							
Financial assets at fair value through other comprehensive income							
— Net movement in revaluation recycling reserve	–	–	–	920	–	–	920
Total comprehensive income	–	–	–	920	–	60,578	6,1498
At 30 June 2026 (Unaudited)	2,782,477	15	138	920	(238)	29,320	2,812,632

	Attributable to ordinary equity holders of the Company						
	Share capital HK\$'000	Capital reserve HK\$'000	General reserve HK\$'000	Fair value reserve (recycling) HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1 January 2025 (Audited)	2,782,477	15	138	(824)	(265)	(152,194)	2,629,347
Profit for the period	–	–	–	–	–	60,134	60,134
Other comprehensive income:							
Financial assets at fair value through other comprehensive income							
— Net movement in revaluation recycling reserve	–	–	–	824	–	–	824
Exchange gains on translation of financial statements of foreign operations	–	–	–	–	28	–	28
Total comprehensive income	–	–	–	824	28	60,134	60,986
At 30 June 2025 (Unaudited)	2,782,477	15	138	–	(237)	(92,060)	2,690,333

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	68,822	60,491
Adjustments for:		
Depreciation — Properties, plant and machinery	3,078	3,526
Depreciation — Right-of-use assets	15,863	21,354
Interest income	(100,867)	(104,766)
Interest expenses	48,576	28,501
Loss on disposal of right-of-use assets	(3)	—
Net (reversal)/charges for expected credit losses	(328)	3,607
	35,141	12,713
Decrease in other assets	9,607	3,231
Net (increase)/decrease in other financial assets	(381,054)	138,411
Net decrease/(increase) in financial assets at fair value through profit or loss	786,054	(1,608,568)
Increase in accounts receivable	(661,097)	(498,259)
Decrease/(increase) in loans and advances	384,393	(59,966)
Increase in prepayments, deposits and other receivables	(27,367)	(32,846)
Increase in bank balances held on behalf of clients	(804,218)	(614,326)
Increase in accounts payable	1,458,127	1,054,515
Increase in contract liabilities	1,661	449
Decrease in other payables and accruals	(8,965)	(4,149)
Net (decrease)/increase in financial liabilities at fair value through profit or loss	(799,275)	943,622
CASH USED IN OPERATIONS	(6,993)	(665,173)
Hong Kong Profits Tax refunded	374	—
Overseas taxes refunded/(paid)	6	(62)
Interest received	88,499	—
Interest paid	(108)	—
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	81,778	(665,235)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(2,076)	(4,119)
Placements of bank deposits with original maturity over three months	2,711,692	—
Withdrawal of bank deposits with original maturity over three months	(2,741,692)	—
Interest received	—	106,918
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES	(32,076)	102,799

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Cont'd)

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans	6,796,764	6,726,130
Repayments on bank loans	(7,032,500)	(5,776,445)
Proceeds from repurchase agreement	1,145,102	–
Repayments on repurchase agreement	(1,230,325)	–
Proceeds from notes issued	1,067,575	353,250
Repayments on notes issued	(600,663)	–
Interest paid	(45,891)	(22,479)
Capital element of lease rentals paid	(15,094)	(22,006)
Interest element of lease rentals paid	(2,129)	(405)
NET CASH FLOWS FROM FINANCING ACTIVITIES	82,839	1,258,045
NET INCREASE IN CASH AND CASH EQUIVALENTS	132,541	695,609
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	864,738	439,780
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	997,279	1,135,389
ANALYSIS OF CASH AND BANK BALANCES AT THE END OF PERIOD:		
Cash and cash equivalents at the end of period	997,279	1,135,389
Bank deposits with a maturity of more than 3 months but less than 12 months	55,000	–
CASH AND BANK BALANCES AT THE END OF PERIOD	1,052,279	1,135,389

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION AND PRINCIPAL ACCOUNTING POLICIES

General Information

These unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and are in compliance with the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“the HKICPA”).

The financial information relating to the year ended 31 December 2025 that is included in this interim result announcement as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by 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 for the year ended 31 December 2025. 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.

Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s interim financial information.

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

Neither of these amendments to HKFRSs have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

1. GENERAL INFORMATION AND PRINCIPAL ACCOUNTING POLICIES (Cont'd)

POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE PERIOD ENDED 30 JUNE 2026

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, which are not yet effective for the period ended 30 June 2026 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture¹</i>
HKFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
HKFRS 19 and Amendments to HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>

¹ No mandatory effective date yet determined but available for adoption

² Effective for annual periods beginning on or after 1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

2. OPERATING SEGMENT INFORMATION

The Group's unaudited segment results are as follows:

	Enterprise finance						Segment total HK\$'000
	Corporate finance HK\$'000	Principal investment HK\$'000	Wealth management HK\$'000	Institutional services and trading HK\$'000	Asset management HK\$'000	Others HK\$'000	
Six months ended 30 June 2026							
Segment revenue from external customers	29,684	–	124,655	149,041	4,642	–	308,022
Other gains, net	–	–	–	–	–	35	35
Segment revenue and other gains from external customers	29,684	–	124,655	149,041	4,642	35	308,057
Segment results and profit before taxation	13,983	–	24,747	26,950	3,108	35	68,823

	Enterprise finance						Segment total HK\$'000
	Corporate finance HK\$'000	Principal investment HK\$'000	Wealth management HK\$'000	Institutional services and trading HK\$'000	Asset management HK\$'000	Others HK\$'000	
Six months ended 30 June 2025							
Segment revenue from external customers	50,235	(17,076)	136,133	130,943	6,305	–	306,540
Other gains, net	–	10,116	–	–	–	3,163	13,279
Segment revenue and other gains from external customers	50,235	(6,960)	136,133	130,943	6,305	3,163	319,819
Segment results and profit before taxation	2,462	(7,238)	24,256	43,316	(5,468)	3,163	60,491

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

3. REVENUE AND OTHER GAINS, NET

An analysis of revenue, which is also the Group's turnover, and other gains net are as follows:

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
Fee and commission income:		
<i>Revenue from contracts with customers within the scope of HKFRS 15:</i>		
Commission on securities dealing in		
— Hong Kong listed securities	49,764	53,257
— Other than Hong Kong listed securities	31,996	16,480
Commission on futures and options contracts dealing	5,407	3,582
Initial public offering, placing, underwriting and sub-underwriting commission	15,744	45,638
Financial advisory, compliance advisory, sponsorship fee income and others	14,027	5,136
Management fee, investment advisory fee income and performance fee income	4,642	6,305
Handling fee income	3,640	5,631
Research fee income and other service income	7,274	6,568
	132,494	142,597
Timing of revenue recognition		
At point in time	113,825	131,156
Over time	18,669	11,441
	132,494	142,597
Income from interest-bearing transactions:		
<i>Interest income calculated using the effective interest method:</i>		
Interest income from banks and others	54,534	62,783
Interest income from initial public offering loans	795	353
Interest income from loans to cash clients and margin clients	45,281	40,175
	100,610	103,311

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

3. REVENUE AND OTHER GAINS, NET (Cont'd)

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
Income from investment business:		
<i>Interest income calculated using the effective interest method:</i>		
Interest income from debt securities	257	1,455
<i>Income from others sources:</i>		
Net gains/(losses) on financial instruments:		
— Equities	—	(17,076)
— Debt securities and derivatives	54,976	63,152
— Structured products	19,685	13,101
	74,918	60,632
	308,022	306,540
Other gains, net:		
Exchange gains, net	35	3,163
Change in net assets value attributable to other holders of a consolidated investment fund	—	10,116
	35	13,279

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

4. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable in other jurisdictions have been calculated at the appropriate current rates of tax prevailing in the jurisdictions in which the Group operates.

The Group is subject to the global minimum top-up tax Pillar Two Rules. Pillar Two Rules has become effective in Hong Kong. The top-up tax relates to the Group's operation in Hong Kong where the annual effective income tax rate is estimated to be below 15%. Therefore, a top-up tax is accrued in the current period using the tax rate based on the estimated adjusted covered taxes and net globe income for the period. The Group has recognised a current tax expense of HK\$10,173,000 related to the top-up tax for the period ended 30 June 2026 which is expected to be levied on the immediate holding company and recharged to the Group.

The Group has applied the temporary mandatory exception from recognising and disclosing deferred tax assets and liabilities for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
Current tax – Hong Kong Profits Tax		
Provision for the period	459	–
Under-provision in respect of prior period	(1,957)	–
Current tax – Income taxes under Pillar Two Rules		
Provision for the period	10,173	–
Current tax – Other	(6)	63
Deferred tax	(425)	294
	8,244	357

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

5. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The Group had no potentially dilutive ordinary shares in issue during these periods. As at 30 June 2026, the total number of the issued ordinary shares was 1,561,138,689 shares.

	For the six months ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Earnings		
Profit for the period attributable to ordinary equity holders of the Company (HK\$'000)	60,578	60,134
Number of shares		
Weighted average number of ordinary shares in issue (in thousands)	1,561,139	1,561,139
Basic earnings per share (HK cents per share)	3.88	3.85

6. DIVIDEND

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
Interim — Nil (2025: Nil) per ordinary share	—	—

7. OTHER FINANCIAL ASSETS

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Financial assets measured at FVOCI (recycling)		
— Debt securities (Note)	381,831	—

Note: During the period, the loss in respect of changes in fair value of the Group's financial assets at fair value through other comprehensive income recognised in other comprehensive income amounted to approximately HK\$142,000 (For the period ended 30 June 2025: HK\$3,039,000). As at 30 June 2026, the expected credit loss allowance (recycling) amounted to HK\$142,000 (as at 31 December 2025: HK\$0).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

7. OTHER FINANCIAL ASSETS (Cont'd)

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
<i>Analysis by maturity date:</i>		
Debt securities		
Over 12 months	381,831	—

As at 30 June 2026, the balance of accumulated fair value changes gains on financial assets measured at fair value through other comprehensive income recognised in other comprehensive income by the Group amounted to HK\$777,000 (As at 31 December 2025: HK\$0).

Changes in expected credit losses on financial assets at fair value through other comprehensive income (recycling) are as follows:

	2026				2025			
	Stage 1 HK\$'000	Stage2 HK\$'000	Stage3 HK\$'000	Total HK\$'000	Stage 1 HK\$'000	Stage2 HK\$'000	Stage3 HK\$'000	Total HK\$'000
At 1 January (Audited)	—	—	—	—	—	—	129,662	129,662
Charges for expected credit losses	142	—	—	142	—	—	3,039	3,039
At 30 June (Unaudited)	142	—	—	142	—	—	132,701	132,701

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Financial assets at fair value through profit or loss:		
Debt securities	2,544,624	3,552,654
Unlisted funds	2,319,370	2,125,924
Derivative financial instruments	178,333	149,803
Total	5,042,327	5,828,381

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

9. ACCOUNTS RECEIVABLE

(a) Accounts receivable comprise:

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Accounts receivable arising from securities dealing:		
— Advances to cash clients	43,010	33,239
— Cash clients	554,428	176,731
— Brokers and dealers	610,663	365,136
— Clearing houses	215,768	182,144
	1,423,869	757,250
Accounts receivable arising from corporate finance, advisory and other services:		
— Corporate Clients	25,650	31,172
	1,449,519	788,422
Less: Expected credit losses	(6,816)	(7,178)
Total	1,442,703	781,244

(b) Ageing analysis of accounts receivable

An ageing analysis of accounts receivable from cash clients and advances to cash clients (before impairment) based on the trade date is as follows:

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Within 1 month	581,239	191,526
1 to 2 months	1,433	4,689
2 to 3 months	393	1,293
Over 3 months	14,373	12,462
	597,438	209,970

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

9. ACCOUNTS RECEIVABLE (Cont'd)

(b) Ageing analysis of accounts receivable (Cont'd)

The ageing of accounts receivable from clearing houses, brokers and dealers are within one month and are not past due. They represent (1) pending trades arising from business of dealing in securities, which are normally due within a few days after the trade date, (2) deposits at clearing houses arising from the business of dealing in securities, futures and options contracts and (3) cash and deposits balances at brokers and dealers.

An aging analysis of the accounts receivable from corporate clients arising from corporate finance, advisory and other services (before impairment) is as follows:

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Within 1 month	20,854	25,273
1 to 2 months	–	700
2 to 3 months	–	550
Over 3 months	4,796	4,649
	25,650	31,172

Save for the credit period allowed by the Group, the accounts receivable from cash clients shall be due on the settlement dates of the respective securities and futures contract transactions. In view of the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. Although the Group does not hold any collateral or other credit enhancements over its accounts receivable from cash clients, the Group is allowed to dispose of the securities deposited by the customers with the Group to settle any overdue amounts. Advances to cash clients of HK\$43,010,000 (31 December 2025: HK\$33,239,000) bear interest at interest rates mainly with reference to Hong Kong dollar prime rate (31 December 2025: with reference to the Hong Kong dollar prime rate).

10. LOANS AND ADVANCES

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Loans and advances to customers, secured	1,112,894	1,497,285

The Group's loans and advances to customers were repayable on demand at the end of these periods.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

11. BANK BALANCES HELD ON BEHALF OF CLIENTS

The Group maintains segregated trust accounts with authorised financial institutions to hold clients' deposits for varying periods of less than one year.

12. ACCOUNTS PAYABLE

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Accounts payable		
— Clients	4,864,087	3,857,035
— Brokers and dealers	612,084	116,178
— Clearing houses	17,778	62,609
	5,493,949	4,035,822

All of the accounts payable are aged and due within one month or on demand.

13. INTEREST-BEARING BANK BORROWINGS

As at the end of the period, the Group's interest-bearing bank borrowings had different maturities of less than one year.

14. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value of financial instruments that are not traded in an active market (for example, over-the-counter) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs used in the valuation for financial instruments are observable, the financial instruments are included in Level 2. If one or more of the significant inputs is not based on observable market data, the financial instrument is included in Level 3.
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

14. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Cont'd)

Fair value hierarchy (Cont'd)

	Level 1 (Unadjusted quoted prices in active markets) HK\$'000	Level 2 (Significant observable inputs) HK\$'000	Level 3 (Significant unobservable inputs) HK\$'000	Total HK\$'000
As at 30 June 2026 (Unaudited)				
<i>Financial assets at fair value through profit or loss:</i>				
Debt securities	–	2,544,624	–	2,544,624
Unlisted funds	–	–	2,319,370	2,319,370
Derivative financial instruments	–	178,333	–	178,333
<i>Financial assets at fair value through other comprehensive income:</i>				
Debt investments	–	381,831	–	381,831
	–	3,104,788	2,319,370	5,424,158
<i>Financial liabilities at fair value through profit or loss:</i>				
Structured notes issued	–	(2,322,094)	–	(2,322,094)
Derivative financial instruments	–	(178,311)	–	(178,311)
	–	(2,500,405)	–	(2,500,405)

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

14. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Cont'd)

Fair value hierarchy (Cont'd)

	Level 1 (Unadjusted quoted prices in active markets) HK\$'000	Level 2 (Significant observable inputs) HK\$'000	Level 3 (Significant unobservable inputs) HK\$'000	Total HK\$'000
As at 31 December 2025 (Audited)				
Financial assets at fair value through profit or loss:				
Debt securities	–	3,552,551	103	3,552,654
Unlisted funds	–	–	2,125,924	2,125,924
Derivative financial instruments	–	149,803	–	149,803
	–	3,702,354	2,126,027	5,828,381
Financial liabilities at fair value through profit or loss:				
Structured notes issued	–	(1,021,247)	(2,128,648)	(3,149,895)
Derivative financial instruments	–	(149,785)	–	(149,785)
	–	(1,171,032)	(2,128,648)	(3,299,680)

During the six months ended 30 June 2026 and year ended 31 December 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

15. COMMITMENTS

As at the end of the period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 30 June 2026 (Unaudited) HK\$'000	As at 31 December 2025 (Audited) HK\$'000
Within one year	1	1

16. RELATED PARTY TRANSACTIONS

(a) The Group had the following material transactions with related parties during these periods:

		For the six months ended 30 June	
	Notes	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
Commission expenses for brokerage services in relation to the PRC capital markets paid to a wholly-owned subsidiary of the ultimate holding company	(i)	191	230
Consultancy fee expenses for investment operational supporting services in relation to PRC and overseas market paid to a wholly-owned subsidiary of the ultimate holding company	(ii)	6,402	1,093
Consultancy fee income for brokerage services in relation to Hong Kong and overseas capital markets paid by a wholly-owned subsidiary of the ultimate holding company	(iii)	747	286
Consultancy fee income for investment operational supporting services in relation to Hong Kong and overseas markets paid by wholly-owned subsidiaries of the ultimate holding company	(iv)	7,544	9,918
Principal-to-principal trading of financial products with the subsidiaries of the ultimate holding company	(v)	6,855,949	2,646,224

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

16. RELATED PARTY TRANSACTIONS (Cont'd)

(a) The Group had the following material transactions with related parties during these periods:
(Cont'd)

Notes:

- (i) The commission expenses paid to a wholly-owned subsidiary of the ultimate holding company were calculated based on the prescribed percentage stated in the signed cooperation agreement for clients' transaction amount in Shenzhen and Shanghai B shares.
- (ii) The consultancy fee for investment operational supporting service in relation to PRC and overseas market payable to a wholly-owned subsidiary of the ultimate holding company was charged at a fixed amount in accordance with the signed agreement with reference to actual cost incurred.
- (iii) The commission fee income paid by a wholly-owned subsidiary of the ultimate holding company were calculated based on the prescribed percentage stated in the signed cooperation agreement for clients' transaction amount in Hong Kong and overseas market shares.
- (iv) The consultancy fee for investment operational supporting service in relation to Hong Kong and overseas markets paid by wholly-owned subsidiaries of the ultimate holding company was calculated based on a fixed percentage of the relevant commission earned by the wholly-owned subsidiary of the ultimate holding company. The amount is included in the accounts receivable balance as at 30 June 2026 and is unsecured, interest-free and repayable on demand.
- (v) The principal-to-principal trading is between the Group and the subsidiaries of ultimate holding company. The amount represents the net mark-to-market fair value changes related to the trading of bonds, repurchase agreements and total return swaps which included the net gain or loss attributable to the clients and the interest income derived from the leverage financing arrangements provided by the Group to its clients.
- (vi) Included in the accounts receivable balances as at 30 June 2026 was a receivable due from a wholly-owned subsidiary of the ultimate holding company of HK\$22,582,000 (31 December 2025: HK\$13,366,000) arising from brokerage services relating to the PRC capital markets. This balance is unsecured, interest-free and repayable on the settlement date of the relevant transactions.
- (vii) Included in the accounts receivable as at 30 June 2026 was consultancy fee receivable due from a wholly-owned subsidiary of the ultimate holding company of HK\$4,860,000 (31 December 2025: HK\$4,513,000) arising from supporting service related to assets management. This balance is unsecured, interest-free and repayable on the settlement date of the relevant transactions.
- (viii) Included in the other receivable balance as at 30 June 2026 was a receivable due from a wholly-owned subsidiary of the ultimate holding company of HK\$59,150,000 (31 December 2025: HK\$52,563,000) arising from supporting services relating to Hong Kong and overseas markets. This balance is unsecured, interest-free and repayable on the settlement date of the relevant transactions.
- (ix) Included in the accounts payable balance as at 30 June 2026 was a payable to a wholly-owned subsidiary of the ultimate holding company of the Company of HK\$1,421,000 (31 December 2025: HK\$37,354,000) arising from brokerage services relating to the PRC capital markets. This balance is unsecured, interest-free and payable on the settlement date of the relevant transactions.
- (x) Included in the other payable balance as at 30 June 2026 was a payable to a wholly-owned subsidiary of the ultimate holding company of the Company of HK\$8,469,000 (31 December 2025: HK\$9,941,000) arising from supporting services relating to Hong Kong and overseas markets. This balance is unsecured, interest-free and payable on the settlement date of the relevant transactions.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

16. RELATED PARTY TRANSACTIONS (Cont'd)

- (a) The Group had the following material transactions with related parties during these periods:
(Cont'd)

Notes:

- (xi) Included in the accounts payable balance as at 30 June 2026 was the amount of segregated client money held on behalf of wholly-owned subsidiaries of the ultimate holding company of the Company of HK\$50,905,000 (31 December 2025: HK\$76,668,000). This balance is unsecured, bears interest at the bank deposit rate and is repayable on demand.
- (xii) Included in the other receivable balance as at 30 June 2026 was a receivable due from a wholly-owned subsidiary of the ultimate holding company of HK\$63,535,000 (31 December 2025: HK\$60,170,000) arising from supporting services relating to Hong Kong and overseas markets. This balance is unsecured, interest-free and repayable on the settlement date of the relevant transactions.

- (b) Key management personnel compensation

	For the six months ended 30 June	
	2026 (Unaudited) HK\$'000	2025 (Unaudited) HK\$'000
Short-term employee benefits	11,890	12,299
Post-employment benefits	907	918
	12,797	13,217

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

17. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	As at 30 June 2026 (Unaudited)					
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the consolidated statement of financial position	Net amounts of financial assets presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
	HK\$'000	HK\$'000	HK\$'000	Financial instruments	Cash collateral received	HK\$'000
Assets						
Accounts receivable	2,831,232	(1,388,529)	1,442,703	(236,750)	(280,788)	925,165
Loans and advances	1,112,894	–	1,112,894	(1,112,890)	–	4

	As at 30 June 2026 (Unaudited)					
	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the consolidated statement of financial position	Net amounts of financial liabilities presented in the consolidated statement of financial position	Related amounts not set off in the consolidated statement of financial position		Net amount
	HK\$'000	HK\$'000	HK\$'000	Financial instruments	Cash collateral pledged	HK\$'000
Liabilities						
Accounts payable	6,882,478	(1,388,529)	5,493,949	(236,750)	–	5,257,199

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Cont'd)

17. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Cont'd)

As at 31 December 2025 (Audited)						
	Gross amounts of recognised financial assets set off in the consolidated statement of financial position HK\$'000	Gross amounts of recognised financial liabilities set off in the consolidated statement of financial position HK\$'000	Net amounts of financial assets presented in the consolidated statement of financial position HK\$'000	Related amounts not set off in the consolidated statement of financial position		
				Financial instruments HK\$'000	Cash collateral received HK\$'000	Net amount HK\$'000
Assets						
Accounts receivable	2,364,916	(1,583,672)	781,244	(515,785)	(55,691)	209,768
Loans and advances	1,497,285	–	1,497,285	(1,497,276)	–	9

As at 31 December 2025 (Audited)						
	Gross amounts of recognised financial assets set off in the consolidated statement of financial position HK\$'000	Gross amounts of recognised financial liabilities set off in the consolidated statement of financial position HK\$'000	Net amounts of financial liabilities presented in the consolidated statement of financial position HK\$'000	Related amounts not set off in the consolidated statement of financial position		
				Financial instruments HK\$'000	Cash collateral pledged HK\$'000	Net amount HK\$'000
Liabilities						
Accounts payable	5,619,494	(1,583,672)	4,035,822	(515,785)	–	3,520,037

18. REVIEW OF ACCOUNTS

The audit committee has reviewed the unaudited interim condensed consolidated financial statements for the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

INTERIM DIVIDEND

The board of directors (the “**Board**”) resolved not to declare the payment of an interim dividend for the six months ended 30 June 2026 (2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Market Review for the First Half of 2026

In the first half of 2026, the global economy showed an exacerbated polarization pattern due to the combined effect of multiple geopolitical challenges and the technology industry cycle. The U.S. economy demonstrated better-than-expected resilience, supported by robust services consumption and investment in artificial intelligence (AI); however, inflationary pressures resurged in the second quarter, and market expectations for interest rate cuts were postponed further. In Europe, the economic recovery saw an overall slowdown hampered by volatile energy prices and sluggish manufacturing growth, with consumer confidence remaining subdued. For emerging markets, economies delivered differentiated performance, those deeply integrated into the global technology supply chain had outstanding performance, while others experienced decelerated growth due to capital outflows and imported inflation.

The Chinese Mainland economy demonstrated resilience and vitality amid challenges, with gross domestic product (GDP) rising by 4.7% year-on-year in the first half of the year. Driven by AI-boosted exports, fiscal policy-driven investment, and recovery in household consumption, GDP increased by 5.0% year-on-year in the first quarter, achieving a promising start. In the second quarter, the supply side was affected by geopolitical conflicts in the Middle East, leading to a marginal slowdown in economic growth; however, international trade or exports and high-tech manufacturing remained robust, serving as key drivers of economic growth. Underpinned by fundamentals, the RMB exchange rate exhibited a moderate appreciation trend against the backdrop of a fluctuating and strengthening U.S. dollar index, with a cumulative appreciation of approximately 2.9% from the beginning to the middle of the year.

The Chinese Mainland securities market accelerated structural upgrading and segmentation overhauling amid deepening reforms. Driven by the release of policy benefits and the technology industry cycle, the market focus shifted obviously towards growth segment, driving an increase of 19.82% and 35.58% in the Shenzhen Component Index and the ChiNext Index, respectively. In terms of the weighted blue-chip segment, performance remained at a relatively steady level, with the Shanghai Composite Index recording an increase of 3.16%. The vitality of the secondary market effectively transmitted to the primary market, with market issuance and fundraising functions significantly enhanced. In the first half of the year, a total of 71 companies completed their initial public offerings (IPOs), raising a total of RMB70.574 billion, representing a year-on-year increase of 39% and 88% compared to the first half of 2025, respectively.

The Hong Kong securities market was significantly divergent between the primary and secondary markets. Affected by the global macroeconomic environment and tightening external liquidity, in the first half of the year, the Hang Seng Index declined by 10.73% compared to the beginning of the year. The total of net southbound capital inflow amounted to HK\$301.0 billion, representing a year-on-year decrease of 59%, but remained the largest source of incremental capital for the Hong Kong stock market. In contrast, the IPO market demonstrated strong momentum, with a total of 84 companies completing their IPOs in the first half of the year, raising a total of HK\$210.2 billion, and the Hong Kong Stock Exchange ranking second globally in terms of fundraising scale. The “A+H” structure played a pivotal role, with 24 companies completing the dual listings, raising HK\$121.8 billion, representing 29% of the total number of IPOs and 58% of total proceeds.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

During the period, the issuance size of offshore Chinese bonds was basically comparable with that of the same period in 2025. The Ministry of Finance of the PRC initially issued RMB6 billion of sovereign green bonds in Hong Kong to attract cross-border RMB financing and trading in Hong Kong. In the first half of the year, primary issuance in the offshore Chinese USD bond market slowed down due to fluctuation in the US treasury yields at their high level and yield curve inversion, with the issuance structure gradually concentrating towards higher-credit segments.

Review of Operations

In the first half of 2026, amid global economic landscape adjustment and market challenges, the Group was committed to the high-quality development based on the finance, continuously optimised its business structure, deepened its cross-border capital market layout, strengthened the synergistic effects, and enhanced the support for the real economy horizontally and vertically. Meanwhile, the Group actively expanded its client base to include sovereign fund, overseas long-term capital, and institutional clients in emerging markets, so as to embrace the “Belt and Road” initiative and promote the implementation of multilateral cooperation. By enhancing forward-looking investment and research capabilities and optimising risk management mechanisms, the Group has progressively strengthened its professional and differentiated service capabilities, and improved its comprehensive financial service capabilities, striving to achieve long-term value growth for shareholders.

In the first half of 2026, the Group achieved revenue of HK\$308 million, representing a year-on-year increase of 0.48% compared to 2025; and recorded a profit attributable to shareholders of HK\$61 million, representing a year-on-year increase of 1.67% compared to 2025.

	For the six months ended 30 June	
	2026 HK\$'000	2025 HK\$'000
Fee and commission income	132,494	142,597
Interest income	100,610	103,311
Income from investment business	74,918	60,632
	308,022	306,540

During the period under review, the Group's overall revenue was basically comparable with that of the first half of 2025. Fee and commission income slightly decreased by 7% to HK\$132 million, while interest income remained stable at HK\$101 million. Income from investment business improved significantly, surging 24% from HK\$60.63 million in the first half of 2025 to HK\$74.92 million.

Wealth Management Business

The wealth management business mainly provides a series of comprehensive financial services including securities, futures and options brokerage, the sales of financial products such as wealth management, over-the-counter, as well as securities margin financing to individual customers and non-professional institutional investors through a combination of online and offline channels.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

	For the six months ended 30 June		
	2026 HK\$'000	2025 HK\$'000	Change
Fee and commission income	53,393	56,218	(5%)
Interest income	71,262	79,915	(11%)
— Loan to clients	45,524	39,787	14%
— Others	25,738	40,128	(36%)
	124,655	136,133	(8%)

In the first half of 2026, amid heightened volatility in the Hong Kong secondary market, the Group proactively rose to challenges by continuously optimizing its business operation systems and product structure, strengthening the development of the digital platform, and steadily enhancing its comprehensive wealth management service capabilities, so as to enable the Group to meet clients' diverse allocation needs for their global assets and provide support for their asset allocation objectives.

During the period under review, the revenue from the Group's wealth management business decreased by 8% year-on-year. Amidst the volatile Hong Kong stock market and lower trading willingness of investor, fee and commission income decreased by approximately 5% to HK\$53.39 million as compared to HK\$56.22 million in the first half of 2025. In terms of interest income, the total income decreased by 11% to HK\$71.26 million as compared to HK\$79.92 million in the first half of 2025. In particular, the interest income from loan to clients increased by 14% year-on-year to HK\$45.52 million, while the total of other interest income was HK\$25.74 million, representing a year-on-year decrease of 36%, due to the lower deposit interest rates and decrease in deposit balances.

During the reporting period, the Group focused on consolidating the foundation of its wealth management business, continuously enriching its product matrix to enhance its comprehensive financial service capabilities, so as to further strengthen its competitive strength in the market by responding to client's needs with efficient and convenient professional services.

The Group will continue to adhere to a client-centric approach and promote the comprehensive optimization of its wealth management business in response to market changes and policy directions. On the one hand, the Group will expand and improve its product structure to offer clients diversified options for asset allocation. On the other hand, the Group will strive to enhance the capabilities of its sales team and service quality, reinforcing its brand competitiveness through prudent and pragmatic strategies. The Group is committed to sharing the results of stable appreciation of assets with its clients through professional and diversified financial solutions, thereby achieving its long-term goals.

Enterprise Finance Business

The enterprise finance business consists of corporate finance business and investment business. The corporate finance business provides corporate clients with stock underwriting sponsorship, bond underwriting and financial advisory services, while investment business mainly includes self-financing equity investment, debt investments and other investments.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

	For the six months ended 30 June		
	2026 HK\$'000	2025 HK\$'000	Change
Fee and commission income	29,684	50,235	(41%)
Losses from investment business	—	(17,076)	100%
	29,684	33,159	(10%)

In the first half of 2026, affected by the volatility in the Hong Kong stock market, the Group's fee and commission income from the enterprise finance business decreased by 41% year-on-year to HK\$29.68 million. In terms of investment business, the valuation adjustment factors for the consolidated investment funds have been eliminated, and there were no new investment projects during the period.

— Sponsorship and underwriting and financial advisory

Upholding the purpose of serving national strategies, the Group focuses on supporting the development of the real economy, continuously promotes the synergy of domestic and foreign businesses, and actively carries out business leveraging on solid professional capabilities. During the reporting period, the Group actively expanded its presence in frontier sectors such as AI and new technologies, significantly enhancing the project coverage density and reserve volume in popular industries in the market. As the sponsor, the Group provided support for Beijing Haizhi Technology Group Co., Ltd. (2706.HK), a well-known company in AI sector, in completion of its Hong Kong stock IPO, and steadily expanded financial advisory businesses such as mergers and acquisitions and restructuring. The performance of the Group's corporate finance business has been recognized by the industry, winning awards such as the "Best Hong Kong IPO Investment Bank" (最佳港股IPO投行) from New Fortune (《新財富》) during the reporting period. In the future, the Group will continue to leverage the synergy advantages of domestic and foreign integration, further expand sponsorship, underwriting, and financial advisory businesses, provide more professional and efficient comprehensive financial services for enterprises, help the Group strengthen its international market layout, and promote the business to achieve new breakthroughs in high-quality development.

— Equity capital market

During the reporting period, the Group strengthened its support for high-quality enterprises listing in Hong Kong, focused on key areas such as fintech and green finance, continuously improved service capabilities, provided targeted integrated solutions for enterprises, further deepened cross-border business collaboration, actively expanded domestic project resources, and participated in 7 Hong Kong stock initial public offering underwriting projects. The Group will closely monitor the regulatory policies and market dynamics of the equity capital market, actively explore potential business opportunities, further link domestic and foreign sales networks, and strive to provide clients with efficient, professional, and comprehensive financial service support.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

— Debt capital market

During the reporting period, the Group completed 52 offshore bond issuance projects. According to the statistics of Bloomberg Database, the Group ranked 8th among Chinese securities firms in terms of the underwriting volume of Chinese-funded offshore bonds. The Group closely followed the national strategic layout, and provided dedicated support for the construction of strategic mineral resource projects in regions along the “Belt and Road”, leveraging green finance to facilitate resource allocation during the period. The cumulative underwriting volume of green bonds increased by nearly 90% year-on-year. The Group continued to expand its product portfolio including green bonds, Magnolia bonds, and dim sum bonds, successfully completed multiple benchmark transactions, and obtained the green and sustainable bond underwriting qualification from the Hong Kong Monetary Authority. In the face of a market environment characterized by a contraction in offshore urban investment bond issuance and increasingly stringent regulation, the Group will expand its client base, strengthen internal business synergy, build its full-chain cross-border financing service capabilities, so as to achieve improvement in both scale and efficiency.

Institutional Services and Trading Business

The institutional services and trading business mainly provides one-stop integrated financial services for institutional and professional individual clients, such as brokerage and trading of global markets, research consulting, fixed income bonds, foreign exchange, over-the-counter derivatives and other trading investments, and investment and financing solutions.

	For the six months ended 30 June								Change
	Fee and commission income		Interest income		Income from investment business		Total		
	2026	2025	2026	2025	2026	2025	2026	2025	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Fixed income, currencies and commodities	—	—	—	—	55,232	65,971	55,232	65,971	(16%)
Structured products	—	—	—	—	19,686	11,737	19,686	11,737	68%
Stock business	44,775	29,839	29,348	23,396	—	—	74,123	53,235	39%
	44,775	29,839	29,348	23,396	74,918	77,708	149,041	130,943	14%

In the first half of 2026, influenced by the international high interest rate environment, the market value of bond holdings experienced heightened volatility, posing challenges to the fixed income, currencies and commodities (FICC) business. In response to business development pressures, the Group proactively addressed market challenges, made precise assessments on market fluctuations, and adopted a defensive strategy by implementing defensive allocation plans, dynamically reducing risk exposure, and steadily advancing business operations. During the reporting period, the fixed income, currencies and commodities business realised revenue of HK\$55.23 million, representing a year-on-year decrease of 16%.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

The financial innovation team implemented a dual-drive development strategy of “deepening existing client relationships and expanding the new client base” (存量深耕、增量拓展). In terms of existing client management, the team established a tiered and refined client servicing mechanism, providing high-standard bespoke services to core clients, which significantly enhanced client stickiness and satisfaction in cooperation. In terms of new client development, the team delved into the options allocation needs of various institutional investors and high-net-worth clients, and continued to intensify efforts in developing new clients, thereby supporting steady growth in business revenue. Meanwhile, the team actively cultivated new growth drivers through facilitating cross-departmental collaboration and leveraging business synergies, closely monitored changes in regulatory policies, and flexibly adjusted business operational priorities and client development strategies. With comprehensive financial solutions characterized by high professionalism and execution efficiency, the Group realised revenue from the structured products business of HK\$19.69 million during the reporting period, representing a year-on-year increase of 68%.

The institutional sales, institutional trading and corporate relations teams remained committed to improving the global business layout and enhancing service quality, and strengthened support for key clients. The teams also actively expanded their outreach to sovereign wealth fund clients and institutional clients in Southeast Asia, South America and other regions, and collaborated with the corporate finance business team to assist Chinese enterprises in developing the Japanese and South Korean markets. During the reporting period, the stock business achieved total revenue of HK\$74.12 million, representing a year-on-year increase of 39%, of which the fee and commission income amounted to HK\$44.78 million, representing a year-on-year increase of 50%.

Asset Management Business

The asset management business mainly provides public fund management, private fund management, investment advisory and discretionary managed account services.

	For the six months ended 30 June		
	2026 HK\$'000	2025 HK\$'000	Change
Fee and commission income	4,642	6,305	(26%)

During the reporting period, in the face of multiple pressures including tightening regulatory policies and restructuring of RMB asset pricing, for the asset management business, the Group adhered to the development philosophy of “seeking change amid stability and pursuing progress through transformation” (穩中求變、變中求進), and deepened its deployment in public funds, private funds, discretionary managed account and investment advisory services. Affected by product iteration and short-term market fluctuations, the fee and commission income of the asset management business decreased by 26% year-on-year to HK\$4.64 million. Despite the apparent short-term revenue pressure, the Group will remain firm on the path of business transformation, further focusing on clients’ long-term interests and the development of sustainable investment capabilities, so as to address market uncertainties with greater resilience.

Looking forward, for the asset management business, the Group will uphold the development concept of balancing stability and innovation, promote cross-border asset management cooperation and product innovation, proactively respond to national strategic initiatives, and continuously explore and launch strategic products with market competitiveness, so as to constantly improve service quality and professional standards, and deliver steady and sustainable long-term returns for investors.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

FUTURE PLANS & PROSPECTS

Looking ahead to the second half of 2026, the global economic momentum is expected to gradually strengthen as geopolitical conflicts de-escalate and crude oil prices retreat. The U.S. economy, supported by capital investment in the AI sector, is expected to maintain its resilience; however, policy uncertainties may arise from the mid-term elections. The Eurozone is expected to continue its expansionary fiscal policy, and the pressure of “stagflation” is anticipated to be alleviated. In terms of monetary policy, the Federal Reserve is likely to maintain the benchmark interest rate unchanged under the pressure of persistent inflation, and there is even a possibility of phased interest rate hikes. Global capital markets will continue to adopt a cautious and defensive asset allocation strategy, with overall performance becoming more prudent.

In the second half of the year, the Chinese Mainland economy demonstrated a trend of steady growth with positive momentum and structural transformation, and this trend is expected to continue. The total volume of exports will continue to maintain robust growth, macroeconomic policies will further focus on expanding domestic demand and boosting consumption, and service consumption is expected to be further improved. The driving effect of policy-based financial instruments on investment recovery is likely to manifest in the fourth quarter, and the investment momentum in infrastructure and manufacturing sector is expected to strengthen. It is expected that in the second half of the year, the overall situation will be characterised by strong external demand, marginal recovery in domestic demand, and reduced pressure from production shocks, leading to a moderate economic recovery.

In Hong Kong, the growth momentum of listed companies is closely aligned with the pace of economic recovery in the Chinese Mainland. With the advancement of policies in the first year of the “15th Five-Year Plan” and the accelerated implementation of investments in innovative industries, the market is expected to embrace structural recovery opportunities amid divergence. In terms of liquidity, the Hong Kong stock market will face pressure from the lifting of restrictions on shares with a market capitalisation exceeding HK\$1.1 trillion in the second half of the year; however, Southbound capital is expected to continue flowing in, providing a strong support to the market.

In the second half of 2026, the Group will base itself on the “15th Five-Year Plan” strategy and Hong Kong’s first “Five-Year Plan”, promote high-quality development through business synergy, and respond flexibly to market changes and investor needs on the basis of prudent operations. In response to the “Belt and Road” Initiative, the Group will further deepen cooperation with sovereign fund and financial institutions in emerging markets and countries along the “Belt and Road”. The Group will continue to enhance its precise services to key client segments, advance technology-driven empowerment and digital transformation, strengthen service effectiveness and market responsiveness, uphold a bottom line mindset, and strive to achieve win-win development with shareholders and clients.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

CAPITAL STRUCTURE

During the period under review, there was no change to the share capital of the Company. As at 30 June 2026, the total number of the issued ordinary shares was 1,561,138,689 shares and total equity attributable to ordinary equity holders was approximately HK\$2,813 million (as at 31 December 2025: HK\$2,751 million).

TREASURY POLICIES

The Group generally finances its business operations with internally generated cash flow and bank borrowings. The majority of Group's banking facilities is renewable on a yearly basis and is on floating interest rates basis. In addition, it has been the policy of the Group to maintain adequate liquidity at all times to meet its liabilities as and when they fall due.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 June 2026, the Group had cash and bank balances of HK\$1,052 million (31 December 2025: HK\$890 million) and investments at fair value through profit or loss of HK\$5,042 million (31 December 2025: HK\$5,828 million). As at 30 June 2026, the Group's total unutilised banking facilities amounted to approximately HK\$6,242 million (31 December 2025: approximately HK\$5,999 million), of which approximately HK\$5,942 million (31 December 2025: approximately HK\$5,699 million) could be drawn down without the need of notice or completion of condition precedent.

As at 30 June 2026, the Group had outstanding short-term bank borrowings and notes issued amounting to HK\$1,620 million (31 December 2025: HK\$1,855 million) and HK\$704 million (31 December 2025: HK\$234 million), respectively. The liquidity ratio (i.e., current assets to current liabilities) and gearing ratio (i.e., borrowings to net asset value) amounted to 121% (31 December 2025: 126%) and 83% (31 December 2025: 76%), respectively.

The Group has sufficient financial resources for its day to day operations as well as spare capacity to take advantage of any investment opportunities when they arise.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION AND DISPOSAL

During the period under review, the Group did not hold any significant investment and did not have any material acquisition or disposal.

CHARGES ON THE GROUP'S ASSET

No asset of the Group was subject to any charge as at 30 June 2026.

RISK MANAGEMENT

The Group has properly put in place credit management policies which cover the examination of the approval of clients' trading and credit limits, regular reviews of facilities granted, monitoring of credit exposures and the follow-up of credit risks associated with overdue debts. The policies are reviewed and updated regularly.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

The management closely monitors the market condition so that precautionary measures will be taken to eliminate any risk that the Group may encounter. As at 30 June 2026, the advances to customers were overdue accounts receivable from cash clients and margin financing.

28% (31 December 2025: 34%) of margin financing was attributable to corporate customers with the rest attributable to individual customers.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

The Group's principal operations are transacted and recorded in Hong Kong dollar and US dollar. The Group is not exposed to material foreign exchange risk because Hong Kong dollar is pegged with US dollar. Other foreign currency exposure is relatively minimal to its total assets and liabilities. The Group has endeavored to closely monitor its foreign currency positions and take measures when necessary.

CONTINGENT LIABILITIES

There were no material contingent liabilities as at 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except for the future plans as disclosed in the paragraph headed "Future Plans & Prospects", the Group had no other future plans for material investments or capital assets as at 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

There were no important events affecting the Group from 30 June 2026 to the date of this interim report.

EMPLOYEES

As at 30 June 2026, the total number of full-time employees was 254 (as at 31 December 2025: 244). The total staff costs for the period under review amounted to approximately HK\$98 million (for the period ended 30 June 2025: HK\$122 million).

The Group has established policies and regulations concerning staff recruitment, remuneration, promotion, and training. To maintain the Group's market competitiveness, independent consultants appointed by the Group conduct regular remuneration surveys. In response to market conditions, the Group formulates relevant and appropriate remuneration and incentive schemes to attract and retain talent. The Group advocates equal opportunities and recruits competent personnel globally.

DIRECTOR'S INTERESTS IN SHARES

As at 30 June 2026, none of the directors and the chief executive of the Company was taken to be interested or deemed to have any interest or short position in the shares, underlying shares or debentures of the Company or any of 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 by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (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 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

Long positions in the ordinary shares of the Company

Name of Shareholders	Capacity and nature of interests	Number of ordinary shares held	Percentage of the Company's issued shares (%) (Note 7)
Central Huijin Investment Ltd.	Through controlled Corporation	1,013,131,792 (Note 1,2 and 3)	64.90
Shenwan Hongyuan (International) Holdings Limited	Directly beneficially owned	1,013,131,792 (Note 1)	64.90
Shenwan Hongyuan Securities Co., Ltd.	Through controlled Corporation	1,013,131,792 (Note 1 and 2)	64.90
Shenwan Hongyuan Group Co., Ltd.	Through controlled Corporation	1,013,131,792 (Note 1 and 2)	64.90
SIIC Finance Company Limited	Directly beneficially owned	80,280,188 (Note 4)	5.14
Shanghai Industrial Investment (Holdings) Company Limited	Through controlled Corporation	80,280,188 (Note 4,5 and 6)	5.14
SF Finance (BVI) Company Limited	Through controlled Corporation	80,280,188 (Note 4,5 and 6)	5.14

OTHER INFORMATION (Cont'd)

Note:

- (1) Shenwan Hongyuan (International) Holdings Limited held directly 1,013,131,792 shares of the Company. Shenwan Hongyuan (International) Holdings Limited is wholly-owned by Shenwan Hongyuan Securities Co., Ltd. which is in turn a wholly-owned subsidiary of Shenwan Hongyuan Group Co., Ltd.
- (2) By virtue of the relationship among Shenwan Hongyuan (International) Holdings Limited, Shenwan Hongyuan Securities Co., Ltd. and Shenwan Hongyuan Group Co., Ltd. as set out in Note 1 above, Shenwan Hongyuan Securities Co., Ltd. and Shenwan Hongyuan Group Co., Ltd. are also deemed to be interested in the same parcel of 1,013,131,792 Shares held by Shenwan Hongyuan (International) Holdings Limited under the SFO.
- (3) Shenwan Hongyuan Group Co., Ltd. is held as to 51.17% by Central Huijin Investment Ltd. Hence, Central Huijin Investment Ltd. is also deemed to be interested in the same parcel of 1,013,131,792 Shares held by Shenwan Hongyuan (International) Holdings Limited under the SFO.
- (4) SIIC Finance Company Limited held directly 80,280,188 Shares of the Company.
- (5) SIIC Finance Company Limited is wholly-owned by SF Finance (BVI) Company Limited which in turn a wholly-owned subsidiary of Shanghai Industrial Investment (Holdings) Company Limited.
- (6) By virtue of the relationship among SIIC Finance Company Limited, Shanghai Industrial Investment (Holdings) Company Limited and SF Finance (BVI) Company Limited as set out in Notes 4 and 5 above, Shanghai Industrial Investment (Holdings) Company Limited and SF Finance (BVI) Company Limited are also deemed to be interested in the same parcel of 80,280,188 Shares held by SIIC Finance Company Limited under the SFO.
- (7) The percentages are calculated based on the total number of 1,561,138,689 issued shares as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, the Company had not been notified of any person who had interests or short positions in the shares or underlying shares of the Company, which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the period under review. As at the end of the reporting period, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE CODE

To improve the Company's transparency and accountability to its shareholders, the Company is, so far as practicable, committed to maintaining high standard of corporate governance. The Company has adopted the principles and code provisions of the Corporate Governance Code (the CG Code") as set out in Appendix C1 of the Listing Rules as the basis of the Company's corporate governance practices. Throughout the six months ended 30 June 2026, the Company has met all applicable code provisions set out in part 2 of the CG Code, save and except for code provision C.2.1 of the CG Code since 20 May 2026.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. As disclosed in the announcement of the Company dated 20 May 2026, Mr. Ma Xiaoyong was appointed as the Company's Chairman and Chief Executive Officer, there has been a deviation from the relevant code provision. After assessing the current status of the Company and considering the experience and past performance of Mr. Ma Xiaoyong, the Board believes that it is appropriate for Mr. Ma Xiaoyong to concurrently serve as the Chairman of

the Board and the Chief Executive Officer of the Company at this stage, which is in the best interests of the Company and its Shareholders, providing consistent leadership for the Company and ensuring a high degree of consistency between the formulation and implementation of the Group's long-term strategies and daily operational execution. Given the diversity of the Board members and the inclusion of Independent Non-executive Directors in all core committees, the operation of the Board still maintains a sufficient balance of power and authority. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance. The Board will nevertheless review the structure from time to time and consider taking appropriate action in appropriate circumstances.

The Board will continue to review and monitor the corporate governance practices of the Company to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on replies from the Company's directors on specific enquiry, all the directors complied with required standard set out in the Model Code throughout the period under review.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules, for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors of the Company. The audit committee has reviewed the interim results announcement and interim report of the Company for the six months ended 30 June 2026. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

CHANGES IN INFORMATION OF DIRECTORS

Set out below are the changes and updated information of the directors subsequent to the date of the annual report of the Company for the year ended 31 December 2025 and up to the date of this interim report:

- (1) Mr. Hu Jing resigned as Executive Director, Chief Risk Officer, a member of the Risk Committee, a member of Environmental, Social and Governance Committee and a member of Management Committee of the Company on 13 March 2026.
- (2) Ms. Huang Rong was appointed as the Executive Directors, a member of the Risk Committee and the Environmental, Social and Governance Committee of the Company on 30 April 2026.

OTHER INFORMATION (Cont'd)

- (3) Ms. Wu Meng retired as an Executive Director of the Company on 20 May 2026, and resigned as the Chairman of the Board, the Chairman of the Management Committee, the Chairman of the Nomination Committee, and the Chairman of the Environmental, Social and Governance Committee.
- (4) Mr. Liang Jun resigned as the Chief Executive Officer on 20 May 2026. Following the resignation as the Chief Executive Officer, Mr. Liang Jun will continue to serve as an Executive Director and the Deputy Chairman of the Management Committee of the Company.
- (5) Mr. Ma Xiaoyong was appointed as an Executive Director, the Chairman of the Board, the Chief Executive Officer, the Chairman of the Nomination Committee, the Chairman of the Environmental, Social and Governance Committee, and the Chairman of the Management Committee of the Company on 20 May 2026.

Save as disclosed above, as at 30 June 2026 and up to the date of this interim report, there is no other information required to be disclosed under Rule 13.51B(1) of the Listing Rules.

DIRECTORS

As at the date of this interim report, the Board of the Company comprises nine directors, of which Mr. Ma Xiaoyong, Mr. Li Shouwei, Mr. Liang Jun and Ms. Huang Rong are Executive Directors, Mr. Zhang Lei and Ms. Zhang Ying are Non-executive Directors; Mr. Kwok Lam Kwong Larry, Mr. Liu Chijin and Ms. Chiu Lai Kuen Susanna are Independent Non-executive Directors.

By Order of the Board
Shenwan Hongyuan (H.K.) Limited
Ma Xiaoyong
Chairman & Chief Executive Officer

Hong Kong, 25 August 2026



SHENWAN HONGYUAN (H.K.) LIMITED
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