



英皇資本集團有限公司  
Emperor Capital Group Limited

於百慕達註冊成立之有限公司  
Incorporated in Bermuda with limited liability  
(股份代號 Stock Code: 717)



**2025/2026**  
Interim Report

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# RESULTS SUMMARY



The board of directors (“**Board**” or “**Directors**”) of Emperor Capital Group Limited (“**Company**”) presents the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as “**Group**”) for the six months ended 31 March 2026 (“**Period**”).

	For the six months ended 31 March	
	2026 HK\$'000	2025 HK\$'000
Total revenue	147,743	402,634
Global financial markets	88,059	297,607
Financing	56,153	100,534
Corporate finance	3,531	4,493
Impairment allowances <sup>1</sup>	32,185	52,721
Net profit	38,955	56,120

<sup>1</sup> Represents the net impairment allowances for margin loans, other loans and advances



## RESULTS

Against a volatile global macro economy backdrop, the Group's total revenue decreased to HK\$147.7 million (2025: HK\$402.6 million) during the Period. Net impairment allowances for margin loans, other loans and advances decreased to HK\$32.2 million (2025: HK\$52.7 million). The Group's net profit was HK\$39.0 million (2025: HK\$56.1 million). Basic earnings per share was HK0.58 cent (2025: HK0.83 cent) and diluted earnings per share was HK0.57 cent (2025: N/A).

## BUSINESS REVIEW

Established in 1993, the Group is a renowned full financial services institution in Hong Kong providing financial services including (i) global financial markets services; (ii) financing; (iii) equity research; and (iv) corporate finance advisory services. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") since April 2007. Currently, the Group's headquarters is located in Hong Kong, with two liaison offices in Chinese Mainland – in Beijing and Shanghai.

### Global Financial Markets

The Group's global financial markets segment provides global brokerage, wealth management and asset management services.

The brokerage division offers a full range of financial instruments and investment products to its high net worth clients, spanning securities, futures and options traded on exchanges in Hong Kong, the Chinese Mainland (via Shanghai and Shenzhen-Hong Kong Stock Connect schemes) and major overseas countries, as well as warrants, bonds, fund investments and margin financing. The Group's web-based and mobile trading platforms enable real-time transaction and investment portfolio monitoring for its clients.

The wealth management division offers balanced solutions, assisting high net worth clients in constructing customised and resilient investment portfolios comprising a diverse range of financial products, including insurance, funds, bonds and stocks.

The asset management division offers tailored investment services, ranging from private investment funds, personalised discretionary portfolio management to investment advisory services, helping its clients to generate stable and substantial returns. It also manages Open-Ended Fund Companies (OFC) and Limited Partnership Funds (LPF), and holds Qualified Foreign Institutional Investor (QFII) and Qualified Foreign Limited Partner (QFLP) statuses.

# MANAGEMENT DISCUSSION AND ANALYSIS



The New Capital Investment Entrant Scheme launched in 2024 has provided abundant opportunities for advisory and customised discretionary investment services. In this regard, the Group has stepped up efforts and strived to capture the opportunities drawing on its two decades of experience, with an aim to increase the revenue of the global financial markets segment.

Through acquiring Crosby Asia Limited, the Group has enhanced its institutional financial services offerings and strengthened its equity research team, which provides its clients with in-depth research coverage and market insights, aiming to enlarge its institutional client base.

During the Period, revenue from the global financial markets segment was HK\$88.1 million (2025: HK\$297.6 million), accounting for 59.6% (2025: 73.9%) of the Group's total revenue.

## Financing

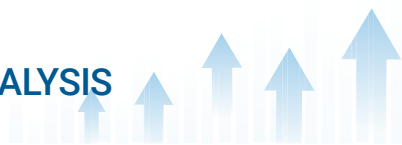
The Group's financing segment derives interest income from both short-term and long-term loans, including but not limited to personal loans, first and second mortgages loans. Building on its strong reputation for delivering professional and personalised loan services, the Group has developed a niche in the loan market, providing corporate and retail clients with tailored liquidity solutions to meet their corporate goals and personal needs.

During the Period, the Group continued adhering to its cautious approach and adopted a stringent credit risk management and control mechanism, in order to minimise default risks. The Group adjusted the interest rate and loan-to-value ratio on a timely basis, according to the market situation. During the Period, revenue from the financing segment was HK\$56.2 million (2025: HK\$100.5 million), accounting for 38.0% (2025: 25.0%) of the Group's total revenue.

## Corporate Finance

The corporate finance segment offers professional advisory services on corporate transactions comprising initial public offerings ("IPO"), mergers and acquisitions, spin-offs, project investment, asset sales, corporate restructuring, issuance, placement and underwriting of shares and bonds. The Group holds a full corporate finance advisory licence under the Securities and Futures Ordinance.

During the Period, the Group continued to partake in fundraising projects, with involvement in multiple roles. Revenue from the corporate finance segment was HK\$3.5 million (2025: HK\$4.5 million), accounting for 2.4% (2025: 1.1%) of the Group's total revenue.



## PROSPECTS

Supported by efficient capital flows and a robust regulatory framework, Hong Kong remains an international financial hub for capital and talent worldwide. Rebounds in IPOs and secondary market trading have catapulted Hong Kong to becoming the world's top fund-raising platform. The conflict in the Middle East also helps with diverting new capital to Hong Kong, which will attract more family offices and other business activities to become established in Hong Kong.

With reference to The Hong Kong Budget 2026-27, the inclusion of real estate investment trusts (REITs) in mutual access, inclusion of Renminbi trading counter under Southbound Stock Connect and the potential launch of Chinese Government Bond futures in Hong Kong will further solidify mutual market access and enhance connectivity with various capital markets. Leveraging Hong Kong's unique role as a financial gateway, the Group aims to deepen connectivity with global investors, and deliver differentiated value through effective strategies and innovative solutions.

Looking ahead, the general market conditions are expected to remain volatile. The Group will focus on working closely with financial institutions and strategic partners to broaden product offerings, while maintaining disciplined risk management in an increasingly complex macroeconomic environment.

## FINANCIAL INFORMATION

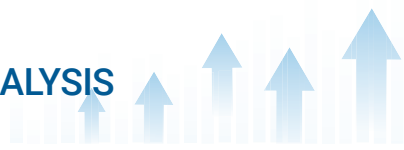
### Capital Structure, Liquidity and Financial Resources

The Group financed its business operations by cash mainly generated from business operations and borrowings. As at 31 March 2026, the Group's current assets and current liabilities were HK\$5,606.3 million (30 September 2025: HK\$5,703.3 million) and HK\$2,136.5 million (30 September 2025: HK\$2,304.3 million) respectively. As at 31 March 2026, aggregate of bank balances, cash and pledged bank deposits of the Group amounted to HK\$2,216.1 million (30 September 2025: HK\$2,353.8 million), which were mainly denominated in Hong Kong dollar.

As at 31 March 2026, the Group did not have any bank borrowings (30 September 2025: Nil), hence the gearing ratio was zero (30 September 2025: zero). The Group did not have any material foreign exchange exposure as at 31 March 2026.

With the Group's sufficient bank balances and cash, as well as its available unutilised banking facilities of HK\$950.0 million (30 September 2025: HK\$950.0 million) as at 31 March 2026, the Board considers the Group has sufficient working capital for its operation and future development.





## **Pledge of Assets**

As at 31 March 2026, bank deposit of the Group with aggregate carrying amount of HK\$100.0 million (30 September 2025: HK\$100.0 million) was pledged to a bank as security for banking facilities.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 31 March 2026, the Group had 74 (2025: 90) account executives and 93 (2025: 105) employees. Total staff costs (including Directors' remuneration) were HK\$26.8 million (2025: HK\$39.1 million) for the Period. Each employee's remuneration was determined in accordance with individual's responsibilities, competence and skills, experience and performance as well as market pay levels. Staff benefits include medical and life insurance, provident funds and other competitive fringe benefits.

To provide incentives or rewards to the staff, the Company has adopted a share option scheme, particulars of which will be set out in the section headed "Share Options" of this interim report.

## **INTERIM DIVIDEND**

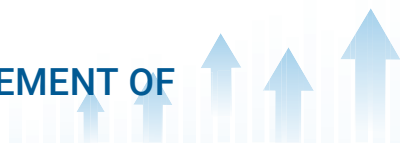
The Board has resolved not to declare any interim dividend for the Period (2025: Nil).

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 31 March	
		2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Revenue			
Commission and fee income	4	49,361	271,263
Interest income	4	98,382	131,371
		<b>147,743</b>	402,634
Other income and gains or losses	5	3,656	(190,351)
Impairment allowances, net of reversal	6	(32,185)	(52,721)
Staff costs		(26,752)	(39,069)
Commission and fee expenses		(18,963)	(22,851)
Other expenses	7	(34,465)	(40,916)
Finance costs		(69)	(331)
Profit before tax	7	38,965	56,395
Income tax expense	8	(10)	(275)
Profit and total comprehensive income for the period attributable to owners of the Company		<b>38,955</b>	56,120
Earnings per share	9		
– Basic		HK0.58 cent	HK0.83 cent
– Diluted		HK0.57 cent	N/A



# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION



	Notes	As at	
		31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
<b>Non-current assets</b>			
Property and equipment		3,629	5,060
Right-of-use assets		17,373	2,229
Intangible assets	11	–	–
Other assets		8,204	10,054
Loans and advances	12	172,411	203,412
Deferred tax assets		590	590
		<b>202,207</b>	<b>221,345</b>
<b>Current assets</b>			
Accounts receivable	13	449,115	681,588
Loans and advances	12	366,568	673,981
Assets acquired for financial products issued	16	147,602	147,602
Other debtors, deposits and prepayments		12,137	11,979
Financial assets at fair value through profit or loss	14	655,540	–
Pledged bank deposit – general accounts		100,000	100,000
Bank balances and cash – general accounts		2,116,097	2,253,844
Bank balances and cash – segregated accounts		1,759,202	1,834,290
		<b>5,606,261</b>	<b>5,703,284</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at

		31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
	Notes		
<b>Current liabilities</b>			
Accounts payable	15	1,955,029	2,095,078
Other creditors and accrued charges		25,701	55,370
Financial products issued at fair value	16	147,602	147,602
Tax liabilities		1,491	1,491
Lease liabilities		6,714	4,754
		2,136,537	2,304,295
<b>Net current assets</b>		3,469,724	3,398,989
<b>Total assets less current liabilities</b>		3,671,931	3,620,334
<b>Non-current liabilities</b>			
Lease liabilities		13,805	1,163
Deferred tax liabilities		15	15
		13,820	1,178
<b>Net assets</b>		3,658,111	3,619,156
<b>Capital and reserves</b>			
Share capital	17	67,408	67,408
Reserves		3,590,703	3,551,748
<b>Total equity</b>		3,658,111	3,619,156



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Special reserve	Share-based payments reserve	Capital contribution reserve	Translation reserve	Retained profits	Total
	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000
At 1 October 2025 (audited)	67,408	3,199,289	9,950	16,166	2,004	(147)	324,486	3,619,156
Profit for the period	-	-	-	-	-	-	38,955	38,955
<b>At 31 March 2026 (unaudited)</b>	<b>67,408</b>	<b>3,199,289</b>	<b>9,950</b>	<b>16,166</b>	<b>2,004</b>	<b>(147)</b>	<b>363,441</b>	<b>3,658,111</b>
At 1 October 2024 (audited)	67,408	3,199,289	9,950	-	2,004	(121)	177,550	3,456,080
Profit for the period	-	-	-	-	-	-	56,120	56,120
At 31 March 2025 (unaudited)	67,408	3,199,289	9,950	-	2,004	(121)	233,670	3,512,200

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS



	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Net cash generated from operating activities	522,378	556,654
Net cash used in investing activities	(655,604)	(7)
Net cash used in financing activities	(4,521)	(4,641)
Net (decrease) increase in cash and cash equivalents	(137,747)	552,006
Cash and cash equivalents at the beginning of the period	2,253,844	1,260,778
Cash and cash equivalents at the end of the period	2,116,097	1,812,784
Analysis of the balances of cash and cash equivalents		
Bank balances and cash - general accounts	2,116,097	1,812,784



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 31 March 2026 (“**Interim Financial Statements**”) have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (“**Listing Rules**”) on the Stock Exchange and Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The Interim Financial Statements should be read, where relevant, in conjunction with the annual financial statements of the Group for the year ended 30 September 2025, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by HKICPA.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The Interim Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Other than changes in accounting policies resulting from application of new HKFRSs, the accounting policies and methods of computation used in the Interim Financial Statements are the same as those followed in the preparation of the Group’s audited consolidated financial statements for the year ended 30 September 2025.

Details of any changes in accounting policies are set out below:

### **Application of Amendments to HKFRSs**

#### ***Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year***

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 October 2025 for the preparation of the consolidated financial statements:



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Application of Amendments to HKFRSs (Continued)

#### **Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year (Continued)**

Amendments to HKAS 21                      Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

#### **New and amendments to HKFRS Accounting Standards in issue but not yet effective**

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

### **Application of Amendments to HKFRSs** *(Continued)*

#### ***New and amendments to HKFRS Accounting Standards in issue but not yet effective*** *(Continued)*

##### *Amendments to HKFRS 9 and HKFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”*

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 “Financial Instruments: Disclosures” in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

### **Application of Amendments to HKFRSs** *(Continued)*

#### ***New and amendments to HKFRS Accounting Standards in issue but not yet effective*** *(Continued)*

##### *HKFRS 18 "Presentation and Disclosure in Financial Statements"*

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7. Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 3. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

According to HKFRS 8, the Group has the following operating and reportable segments:

- (a) Global financial markets – Provision of international brokerage, wealth management and asset management services
- (b) Financing – Provision of margin financing and money lending services
- (c) Corporate finance – Provision of corporate finance advisory services



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 3. SEGMENT INFORMATION *(Continued)*

### Segment revenue and results

The following is an analysis of the Group's revenue and results from continuing operations by operating and reportable segments:

#### For the six months ended 31 March 2026

	Global financial markets (unaudited) HK\$'000	Financing (unaudited) HK\$'000	Corporate finance (unaudited) HK\$'000	Elimination (unaudited) HK\$'000	Total (unaudited) HK\$'000
<b>REVENUE</b>					
Segment revenue – external customers					
Commission and fee income	45,830	–	3,531	–	49,361
Interest income	42,229	56,153	–	–	98,382
Inter-segment sales	–	42,206	90	(42,296)	–
	88,059	98,359	3,621	(42,296)	147,743

Inter-segment sales are charged at prevailing market rates.

### RESULTS

Segment results	36,007	9,038	(348)		44,697
Unallocated other income and gains or losses					1,334
Unallocated corporate expenses					
– staff costs (including directors' remuneration but excluding staff commission expenses)					(350)
– service charge to related company					(5,336)
– others					(1,380)
Profit before tax					38,965
Income tax expense					(10)
Profit for the period					38,955

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 3. SEGMENT INFORMATION (Continued)

For the six months ended 31 March 2025

	Global financial markets (unaudited) HK\$'000	Financing (unaudited) HK\$'000	Corporate finance (unaudited) HK\$'000	Elimination (unaudited) HK\$'000	Total (unaudited) HK\$'000
<b>REVENUE</b>					
Segment revenue – external customers					
Commission and fee income	266,770	-	4,493	-	271,263
Interest income	30,837	100,534	-	-	131,371
Inter-segment sales	-	72,034	-	(72,034)	-
	297,607	172,568	4,493	(72,034)	402,634

Inter-segment sales are charged at prevailing market rates.

## RESULTS

Segment results	37,008	26,505	592		64,105
Unallocated other income and gains or losses					148
Unallocated corporate expenses					
– staff costs (including directors' remuneration but excluding staff commission expenses)					(562)
– service charge to a related company					(5,931)
– others					(1,365)
Profit before tax					56,395
Income tax expense					(275)
Profit for the period					56,120

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 4. REVENUE

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Commission and fee income ( <i>Note</i> ):		
Commission and fee income on dealing in securities	41,755	37,095
Commission and fee income on dealing in futures and options contracts	2,735	4,716
Commission and fee income from insurance brokerage and wealth management	1,145	5,137
Placing and underwriting commission	195	219,822
Corporate finance advisory services fee income	3,531	4,493
	<b>49,361</b>	<b>271,263</b>
Interest income:		
Interest income from margin and initial public offer financing	24,491	25,441
Interest income from loans and advances	31,662	75,093
Interest income from bank deposits	36,672	30,499
Others	5,557	338
	<b>98,382</b>	<b>131,371</b>
	<b>147,743</b>	<b>402,634</b>

*Note:* Commission and fees income is the only revenue arising from HKFRS 15, while interest income is under the scope of HKFRS 9.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 5. OTHER INCOME AND GAINS OR LOSSES

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Other income and gains or losses:		
Other income	2,865	2,450
Exchange gains or losses, net	791	(214)
Loss incurred under global financial markets business ( <i>Note</i> )	–	(192,587)
	<b>3,656</b>	<b>(190,351)</b>

*Note:* During the period ended 31 March 2025, the Group incurred other loss from the disposal of financial assets at FVTPL (which also represented the fair value loss of disposal of bond instruments), that were obtained from the placing and underwriting services and global financial markets segment, to independent third parties.

## 6. IMPAIRMENT ALLOWANCES, NET OF REVERSAL

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Net impairment allowances (reversal) on:		
Accounts receivable	66,919	(8,036)
Loans and advances	(34,734)	60,757
	<b>32,185</b>	<b>52,721</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 7. PROFIT BEFORE TAX

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Profit before tax has been arrived at after charging:		
Other expenses:		
Auditor's remuneration	1,168	1,213
Legal and professional fee	643	2,152
Advertising and promotion expenses	1,290	1,861
Information technology services and communication expenses	10,107	13,298
Depreciation of property and equipment	1,494	1,515
Depreciation of right-of-use assets	3,931	1,908
General and administrative expenses	6,524	7,333
Rates and building management fee	1,145	1,178
Settlement expenses	1,100	1,015
Miscellaneous expenses	7,063	9,443
	<b>34,465</b>	<b>40,916</b>

## 8. INCOME TAX EXPENSE

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Current period:		
Hong Kong Profits Tax	–	259
PRC Enterprise Income Tax	10	16
	<b>10</b>	<b>275</b>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 8. INCOME TAX EXPENSE (Continued)

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

## 9. EARNINGS PER SHARE

### Basic earnings per share

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

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share	38,955	56,120

	Six months ended 31 March	
	2026 (unaudited) '000	2025 (unaudited) '000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	6,740,846	6,740,846
<b>Basic earnings per share</b>	HK0.58 cent	HK0.83 cent

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 9. EARNINGS PER SHARE *(Continued)*

### Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares.

	<b>Six months ended 31 March</b>	
	<b>2026</b> <b>(unaudited)</b> <b>HK\$'000</b>	<b>2025</b> <b>(unaudited)</b> <b>HK\$'000</b>
<b>Earnings</b>		
Profit for the year attributable to ordinary equity holders of the Company	<b>38,955</b>	N/A
	<b>2026</b> <b>(unaudited)</b> <b>'000</b>	<b>2025</b> <b>(unaudited)</b> <b>'000</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue (in thousands)	<b>6,740,846</b>	N/A
Effect of dilutive potential ordinary shares: – Share options (in thousands)	<b>42,652</b>	N/A
Weighted average number of ordinary shares for the purpose of diluted earnings per share (in thousands)	<b>6,783,498</b>	N/A
<b>Diluted earnings per share</b>	<b>HK0.57 cent</b>	N/A

## 10. DIVIDENDS

The Board has resolved not to declare any interim dividend for the Period (2025: Nil).



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 11. INTANGIBLE ASSETS

	HK\$'000
<b>COST</b>	
At 1 October 2024, 30 September 2025 and <b>31 March 2026</b>	9,802
<b>AMORTISATION AND IMPAIRMENT</b>	
At 1 October 2024, 30 September 2025 and <b>31 March 2026</b>	9,802
<b>CARRYING VALUES</b>	
<b>At 31 March 2026</b>	–
At 30 September 2025	–

Trading rights were fully amortised over 10 years from the effective date of the merger of the Stock Exchange, the Hong Kong Futures Exchange and the Hong Kong Securities Clearing Company Limited to year 2000.

## 12. LOANS AND ADVANCES

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Fixed-rate loans receivable	1,183,956	1,654,312
Variable-rate loans receivable	134,959	136,714
	<b>1,318,915</b>	1,791,026
Less: provision for impairment	(779,936)	(913,633)
	<b>538,979</b>	877,393
Analysed as:		
Current	366,568	673,981
Non-current	172,411	203,412
	<b>538,979</b>	877,393

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 12. LOANS AND ADVANCES (Continued)

*Note:* In determining the allowances for credit-impaired loans and advances, the management of the Group also takes into account the fair value of collateral and the outstanding balance of loan receivables individually taking into account of executable settlement plan and restructuring arrangements with available forward looking information.

The Group has established credit policies to ensure all loans and advances are subject to credit risk assessment and ongoing monitoring, including evaluation of customers' credit ratings (if publicly available), financial background and repayment abilities. Expected credit loss ("ECL") assessment is carried out based on a close monitoring and evaluation of the collectability of individual account and on management's judgement, including the current creditworthiness of the borrowers, collateral value, the past collection history and available forward looking information. The Group had commenced legal proceedings against the borrowers of the credit-impaired loans with the gross carrying amount totalling approximately HK\$307 million (30 September 2025: HK\$432 million), on which provision for impairment of approximately HK\$271 million (30 September 2025: HK\$278 million) was made as at 31 March 2026. As at the reporting date of the Interim Financial Statements, the legal proceedings are still in progress.

The carrying amounts of the Group's fixed-rate and variable-rate loans receivable together with their remaining contractual maturity dates are as follows:

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Fixed-rate loans receivable:		
Within one year	289,109	384,911
In more than one year but no more than five years	10,907	32,346
Over five years	64,582	74,260
	364,598	491,517
Past due	70,202	280,804
	434,800	772,321

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 12. LOANS AND ADVANCES (Continued)

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Variable-rate loans receivable:		
Within one year	3,856	4,968
In more than one year but no more than five years	17,422	23,206
Over five years	79,500	73,600
	100,778	101,774
Past due	3,401	3,298
	104,179	105,072

The effective interest rates of the Group's loans receivable are as follows:

	As at	
	31 March 2026 (unaudited)	30 September 2025 (audited)
Effective interest rates:		
Fixed-rate loans receivable	0.67% per month to 3.83% per month	0.67% per month to 3.83% per month
Variable-rate loans receivable	Prime rate – 2.5% per annum to prime rate per annum	Prime rate – 2.5% per annum to prime rate per annum

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 12. LOANS AND ADVANCES *(Continued)*

As at 31 March 2026, 109 (30 September 2025: 129) secured loans with the aggregate gross amount of approximately HK\$660 million (30 September 2025: HK\$818 million) were secured by first legal charges in respect of respective properties located in Hong Kong and Canada. The collateral for each individual loan is sufficient to cover the loan amount on an individual basis. They were advanced to various independent borrowers and will be due for repayment within 1 to 28 years (30 September 2025: 1 to 28 years).

As at 31 March 2026, loans receivable amounting to approximately HK\$290 million (30 September 2025: HK\$367 million) provided to independent third parties of the Group, were with second or third legal charges in respect of properties located in Hong Kong and Canada and will be due for repayment within 1 to 28 years (30 September 2025: 1 to 28 years) from the respective loans' date of advance.

As at 31 March 2026 and 30 September 2025, there was no individual loan with net carrying amount, on an individual basis, being more than 10% of the net carrying amount of the total loans and advances.

The carrying amounts of the Group's loans and advances approximate their fair value.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. ACCOUNTS RECEIVABLE

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Accounts receivable from the business of dealing in securities:		
Clearing houses, brokers and cash clients	181,157	245,456
Secured margin loans	1,077,791	1,231,915
Accounts receivable from the business of dealing in futures contracts:		
Clearing houses, brokers and margin clients	78,198	99,701
Accounts receivable from the business of corporate finance and placing and underwriting	7,413	6,984
	<b>1,344,559</b>	<b>1,584,056</b>
Less: provision for impairment	<b>(895,444)</b>	<b>(902,468)</b>
	<b>449,115</b>	<b>681,588</b>

The settlement terms of accounts receivable, except for secured margin loans and IPO margin loans, arising from the business of dealing in securities are two days after trade date, and of accounts receivable arising from the business of dealing in futures contracts are one day after trade date.

Normal settlement terms of accounts receivable from the business of corporate finance, and placing and underwriting are determined in accordance with the contractual terms. The Group seeks to maintain tight control over its outstanding accounts receivable from the business of corporate finance in order to minimise the credit risk.

As at 31 March 2026 and 30 September 2025, no individual account represented more than 10% of the net carrying amount of total accounts receivable.

No ageing analysis of secured margin loans is disclosed as in the opinion of the executive directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 13. ACCOUNTS RECEIVABLE (Continued)

The ageing analysis of the remaining balance of the accounts receivable (before impairment) are as follows:

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Past due:		
0-30 days	1,018	3,913
31-60 days	191	1,000
61-90 days	469	256
Over 90 days	6,297	138
Accounts receivable which were past due	7,975	5,307
Accounts receivable which were not past due	258,793	346,834
	<b>266,768</b>	<b>352,141</b>

*Note:* In determining the allowances for credit-impaired loans to margin clients, the management of the Group also takes into account shortfall by comparing the fair value of listed securities pledged as collateral and the outstanding balance of accounts receivable from margin client individually taking into account of subsequent settlement or executable settlement plan and restructuring arrangements with available forward looking information.

To minimise the Group's exposure to credit risk, the Group has a policy for reviewing and monitoring accounts receivable without sufficient collateral and those with default or delinquency in interest or principal payment. ECL assessment is carried out based on an evaluation of the collectability and ageing analysis of the accounts and on management's judgement including the current creditworthiness, collateral value, the past collection history and available forward looking information.

Management had set up the credit limits for each individual customer which are subject to regular reviews by the management. Any extension of credit beyond these approval limits has to be approved by relevant level of management on an individual basis according to the exceeded amount. Impairments are made for those clients with shortfall as at the end of the reporting period and with no settlement or executable settlement plan and arrangement after the end of the reporting period. The Group had commenced legal proceedings against the borrowers of the credit-impaired loans of the gross carrying amount totalling approximately HK\$278 million (30 September 2025: HK\$277 million) for recovery, on which provision for impairment of HK\$260 million (30 September 2025: HK\$248 million) was made as at 31 March 2026. As at the reporting date of the Interim Financial Statements, the legal proceedings are still in progress.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Debt securities	255,540	–
Money market instruments	400,000	–
	<b>655,540</b>	–

## 15. ACCOUNTS PAYABLE

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
Accounts payable from the business of dealing in securities:		
Clearing houses and brokers	12,667	27,336
Margin and cash clients	1,618,441	1,838,145
Accounts payable from the business of dealing in futures contracts:		
Margin clients	323,921	229,597
	<b>1,955,029</b>	<b>2,095,078</b>

The settlement terms of accounts payable, except for margin loans, arising from the business of dealing in securities are two days after trade date and accounts payable arising from the business of dealing in futures contracts are one day after trade date. No ageing analysis is disclosed as in the opinion of the executive directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

Accounts payable to margin and cash clients arising from the business of dealing in securities and dealing in futures bear variable interest at commercial rates, and are repayable on demand subsequent to settlement date.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 15. ACCOUNTS PAYABLE (Continued)

Included in accounts payable, amounts of approximately HK\$1,759 million and HK\$1,834 million as at 31 March 2026 and 30 September 2025 respectively were payable to clients and other institutions in respect of the trust and segregated bank balances received and held for clients and other institutions in the course of conducting the regulated activities. However, the Group currently does not have an enforceable right to offset these accounts payable with the deposits placed.

## 16. ASSETS ACQUIRED FOR FINANCIAL PRODUCTS ISSUED/ FINANCIAL PRODUCTS ISSUED AT FAIR VALUE

	As at	
	31 March 2026 (unaudited) HK\$'000	30 September 2025 (audited) HK\$'000
<b>Assets acquired for financial products issued</b>		
Unlisted equity investments, at fair value (Notes (i), (ii))	147,602	147,602
<b>Financial products issued at fair value</b>		
Unlisted issued financial products, at fair value (Note (iii))	147,602	147,602

As at 31 March 2026 and 30 September 2025, the assets acquired for financial products issued and financial products issued at fair value are recognised as current assets and liabilities, respectively.

Notes:

- (i) As at 31 March 2026, included in assets acquired for financial products issued are the unlisted equity investments. There is no unfilled capital commitment to the unlisted equity investments. The total carrying amount of approximately HK\$147,602,000 (30 September 2025: HK\$147,602,000) in the consolidated statement of financial position represents the Group's maximum exposure.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 16. ASSETS ACQUIRED FOR FINANCIAL PRODUCTS ISSUED/ FINANCIAL PRODUCTS ISSUED AT FAIR VALUE (Continued)

Notes: (Continued)

- (ii) The financial assets are primarily acquired by the Group driven by the financial products issued at fair value and become the underlying investment and economic hedging items for the risk of economic exposure on the issued financial products as set out in note (iii) below.

As a result, the net variable return and exposure of the respective assets and liabilities is not significant to the Group.

- (iii) As at 31 March 2026, the financial products issued at fair value are generally issued in the form of swaps of which pay-outs are linked to the values/returns of the underlying investments related to the unlisted equity investments.

The risk of economic exposure on the financial products is primarily hedged using financial assets as details in note (ii) above.

## 17. SHARE CAPITAL

	Number of shares '000	HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 October 2025 and <b>31 March 2026</b>	500,000,000	5,000,000
Issued and fully paid:		
At 1 October 2025	6,740,846	67,408
<b>At 31 March 2026</b>	<b>6,740,846</b>	<b>67,408</b>

## 18. FAIR VALUE MEASUREMENT ON FINANCIAL INSTRUMENTS

The executive directors of the Company consider that the carrying amounts of all financial assets and financial liabilities recorded at amortised cost at the respective reporting period ends approximate their corresponding fair values.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 19. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in the Interim Financial Statements, the Group had the following significant transactions and balances with related parties:

		<b>Six months ended 31 March</b>	
		<b>2026</b>	2025
		<b>(unaudited)</b>	(unaudited)
		<b>HK\$'000</b>	HK\$'000
(i)	Corporate finance advisory services fee income from related companies	1,220	1,743
(ii)	Sharing of information technology services and administrative expenses paid and payable to a related company	5,336	5,931
(iii)	Commission and brokerage income from – directors of the Company	5	7
(iv)	Interest income from – directors of the Company	55	97
(v)	Printing, advertising and promotion expenses to a related companies	492	86
(vi)	Accounts payable to margin and cash clients arising from business of dealing in securities – directors of the Company	36	7
(vii)	Rental and other deposits paid to related companies	2,737	2,737
(viii)	Interest expense from lease payable to related companies	59	198
(ix)	Lease liabilities payable to related companies	19,856	7,788



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



## 19. RELATED PARTY TRANSACTIONS *(Continued)*

(b) The key management personnel of the Company are the directors of the Company. The remuneration paid to them during the period are as follows:

	Six months ended 31 March	
	2026 (unaudited) HK\$'000	2025 (unaudited) HK\$'000
Fees	350	563
Salaries and other emoluments	2,771	1,230
	3,121	1,793



# DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES



As at 31 March 2026, the following Directors and chief executives of the Company had or were deemed or taken to have interests and short positions in the following shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors adopted by the Company (“**ECG Securities Code**”):

## LONG POSITION INTERESTS IN THE COMPANY

*Ordinary shares (“Share(s)”) and underlying shares of the Company*

Name of Directors	Capacity/ Nature of interests	Number of Shares interested	Number of underlying Shares held under the Share Option Scheme	Approximate % of issued voting Shares
Ms. Daisy Yeung	Eligible beneficiary of a private discretionary trust	2,879,521,438 <i>(Note)</i>		42.72
	Beneficial owner	18,000,000		0.26
Ms. Fan Man Seung, Vanessa <b>(“Ms. Vanessa Fan”)</b>	Beneficial owner		337,042,286	5.00

*Note:* These Shares were held by Emperor Capital Group Holdings Limited, a wholly-owned subsidiary of Albert Yeung Capital Holdings Limited (“**AY Capital Holdings**”). AY Capital Holdings was in turn held by First Advisory Trust reg. (“**First Advisory Trust**”) in trust for a private discretionary trust of which Ms. Daisy Yeung is one of the eligible beneficiaries.

Save as disclosed above, as at 31 March 2026, none of the Directors nor chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).



## OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

So far as is known to any Directors or chief executives of the Company, as at 31 March 2026, the persons or corporations (other than the Directors or chief executives of the Company) who had, or were deemed or taken to have interests and short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO ("**DI Register**") were as follows:

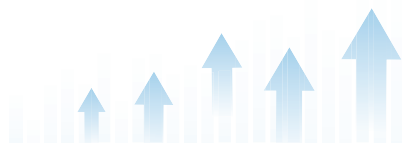
### LONG POSITION IN THE SHARES

<b>Name</b>	<b>Capacity/ Nature of interests</b>	<b>Number of Shares interested</b>	<b>Approximate % of issued voting Shares</b>
AY Capital Holdings	Interest in a controlled corporation	2,879,521,438 (Note)	42.72
First Advisory Trust	Trustee of a private discretionary trust	2,879,521,438 (Note)	42.72
Dr. Yeung Sau Shing, Albert (" <b>Dr. Yeung</b> ")	Founder of a private discretionary trust	2,879,521,438 (Note)	42.72
Ms. Luk Siu Man, Semon (" <b>Ms. Semon Luk</b> ")	Interest of spouse	2,879,521,438 (Note)	42.72

*Note:* These Shares were the same Shares of which Ms. Daisy Yeung had deemed interests as those set out under the section of "Directors' and Chief Executives' Interests in Securities" above. By virtue of being the spouse of Dr. Yeung, Ms. Semon Luk had deemed interests in the same Shares.

Save as disclosed above, as at 31 March 2026, the Directors or chief executives of the Company were not aware of any other person or corporation (other than the Directors or chief executives of the Company) who had, or were deemed or taken to have, any interests or short positions in any Shares or underlying Shares as recorded in the DI Register.

# CORPORATE GOVERNANCE AND OTHER INFORMATION



## SHARE OPTIONS

The Company has adopted a share option scheme on 27 January 2017 (“**Share Option Scheme**”) to enable the Group to attract, retain and motivate talent participants to strive for future developments and expansion of the Group.

Details of the share options to subscribe for Shares granted under the Share Option Scheme and their movements during the Period were as follows:

Name of Director	Date of grant	Exercise period (Note)	Exercise price per Share (HK\$)	As at 01.10.2025	Number of share options				Outstanding as at 31.03.2026	Closing price of Share immediately before the date of grant (HK\$)
					Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period		
Ms. Vanessa Fan	30.05.2025	30.05.2025 – 29.05.2035	0.086	337,042,286	-	-	-	-	337,042,286	0.097

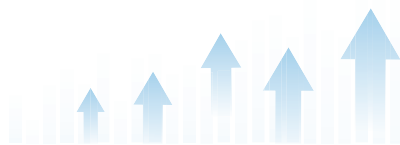
*Note:* The above share options granted under the Share Options Scheme were vested on the date of grant.

During the Period, no share option was granted, exercised, cancelled or lapsed under the Share Option Scheme.

The number of share options available for grant under the Share Option Scheme was 337,042,286 at the beginning and the end of the Period.



# CORPORATE GOVERNANCE AND OTHER INFORMATION



## CORPORATE GOVERNANCE

### Corporate Governance Code

The Company complied with all code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the Period.

### Model Code for Securities Transactions

The Company has adopted the ECG Securities Code as its own code of conduct regarding securities transactions by Directors on no less exacting terms than the required standards as set out in Appendix C3 to the Listing Rules regarding the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”). Having made specific enquiry of the Directors, all of them confirmed that they had complied with the required standard of dealings as set out in the ECG Securities Code throughout the Period.

Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines in line with the Model Code. No incident of non-compliance by relevant employees was noted during the Period.

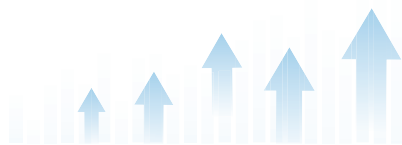
### Risk Management

The risk management process includes risk identification, risk evaluation, risk management measures and risk control and review.

The management is entrusted with duties to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority. It endeavours to evaluate and compare the level of risk against predetermined acceptable levels of risk. For risk control and monitoring, it involves making decisions regarding which risks are acceptable and how to address those that are not. The management will develop contingency plans for possible loss scenarios. Accidents and other situations involving loss or near-loss will be investigated and properly documented as part of the effort to manage risks.



# CORPORATE GOVERNANCE AND OTHER INFORMATION



## Significant Risks

The Group's business, financial conditions and results may be affected by risks and uncertainties pertaining to the Group's business. Certain significant risks have been identified through the process of risk identification and assessment. Such significant risks of the Group and their respective key strategies/control measures are set out below:

### (1) Credit Risk

Credit risk refers to the risk that the borrower or counterparty may fail to perform its obligation to pay in a timely manner, or that its ability to perform such obligation may get impaired before delivery date.

The Credit Committee, the ultimate credit decision-making organ of the Group, is responsible for putting in place credit policies and procedures for approving margin financing and lending portfolio as well as debt recovery procedures to ensure prompt and effective recovery of outstanding debts. The Group's exposure to credit risk lies mainly in two areas:

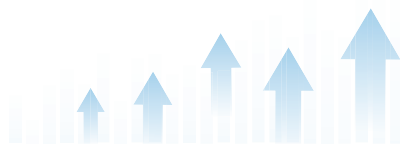
#### a) *Margin financing*

The customers' trading of securities or futures may expose the Group to risk arising from price volatility which may reduce the customers' ability to meet their obligations. The Credit Committee will prescribe from time to time the lending limits on individual stock or on any individual customers and their respective associates by considering their creditworthiness, financial strength and the size of their positions or commitments for the purpose of monitoring the customer concentration risk and stock concentration risk.

The Credit and Risk Control Department ("**CRC Department**") is responsible for the daily monitoring of the changes in customers' positions, their accounts and financing ratios; to observe strictly the approved financing and credit policies; to make margin calls and perform forced liquidation, where appropriate; to report to the management promptly and when abnormalities arise; to closely monitor the unusual movements and trading halts of stocks and timely identify non-performing debts; and to demand higher margin requirements and step up risk control for particular customers or products, where appropriate.



# CORPORATE GOVERNANCE AND OTHER INFORMATION



The Group has set up policies on customer concentration risk and stock concentration risk. The CRC Department will monitor the concentration of credit risk and regularly review stress tests performed by the Finance & Accounts Department to assess the Group's credit risk exposure and capital adequacy and to report anomaly or any unusual price movements of customers' stock positions.

## **b) Lending portfolio**

All loans and advances are subject to credit analysis, borrower's due diligence, risk assessment and are approved by the management according to the credit policies set by the Credit Committee. The Loans Operation Department is tasked with the daily monitoring of exposures for loans and advances.

The CRC Department, relevant business and operations departments meet the management both regularly and timely to review the development and status of past due accounts and to ensure appropriate actions are taken in a timely manner. Moreover, the Internal Audit Department also conducts independent reviews on the adequacy and effectiveness of these policies and controls to ensure that the Group is operating according to the established policies, procedures and credit limits.

## **(2) Equity Risk**

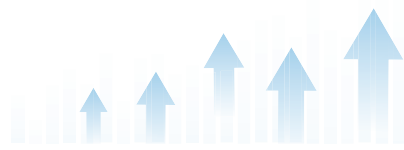
Equity risk arises from fluctuation in the price and volatility of equities such as stocks, equity portfolio and stock index futures. The Group does not have proprietary equity investments. On the other hand, the Group may be subject to exposure arising from the underwriting commitments. The Group mitigates its risks by conducting detailed analysis of the issuer's fundamentals and pricing against market conditions and appetites. Such risk exposure is also reduced by way of internal sales and distribution and by sub-underwritings.

## **(3) Liquidity Risk**

The Group's financing business is a capital intensive business which may be subject to liquidity risk. As part of its ordinary brokerage activities, the Group is also exposed to liquidity risk arising from timing difference between settlements with clearing houses or brokers and customers. The goal of liquidity risk management is to ensure the Group maintains adequate liquid capital to fund its business commitments as well as to comply with the relevant Financial Resources Rules applying to various licensed subsidiaries.



# CORPORATE GOVERNANCE AND OTHER INFORMATION



To address the liquidity risk, the Group's Finance and Accounts Department and the management will review and monitor the Group's liquidity position on a daily basis to ensure availability of sufficient liquid funds. In addition, the Group has maintained sufficient stand-by banking and other facilities in order to meet any contingency in its operations. The management believes the Group's working capital is adequate to meet its financial obligations.

## **(4) Operational Risk**

Operational risk is the risk of losses arising from inadequate or failed internal processes, people, systems or external events. The Group extends operational risk management to cover potential losses arising from legal and compliance breaches. Operational risk is reduced and controlled through establishing effective internal controls, clear lines of responsibility, proper segregation of duties and effective internal reporting and contingency planning. It is our corporate culture that the business and operating line management are fully aware of their responsibilities for managing the operational risks of their business units on a day-to-day basis. Independent monitoring and reviews are conducted by the Compliance Department and the Internal Audit Department, which report regularly to the management and the Audit Committee.

## **(5) Other Risks**

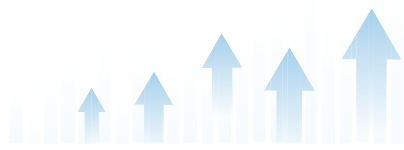
Change of social, economic and political environment, occurrence of any natural disaster or outbreak of contagious diseases could adversely affect the Group's business and operations. The Group stays alert to the changes in economic and market condition and adjust business strategic plans to cope with these changes. The Group also implements business continuity plans which include "Work from Home", "Flexible Working Hours" and "Split-team Arrangements"; and ensures all safety measures are put in place.

## **REVIEW OF INTERIM REPORT**

The condensed consolidated financial statements of the Group for the Period as set out in this interim report have not been reviewed nor audited by the Company's auditor, Messrs. Deloitte Touche Tohmatsu, but have been reviewed by the audit committee of the Company, which comprises three independent non-executive Directors.



# CORPORATE GOVERNANCE AND OTHER INFORMATION



## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

By order of the Board  
**Emperor Capital Group Limited**  
**Daisy Yeung**  
*Chairperson*

Hong Kong, 27 May 2026

As at the date of this report, the Board comprises:

*Executive Directors:*

Ms. Daisy Yeung  
Mr. Chu Raymond  
Ms. Fan Man Seung, Vanessa

*Independent Non-executive Directors:*

Mr. Wong Tak Ming, Gary  
Mr. Yu King Tin  
Ms. Chan Sim Ling, Irene

