



Fu Shek Financial Holdings Limited **富石金融控股有限公司**

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 2263

2025/26

INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

Non-executive Director

Mr. Keng Stephen Lee
(formerly known as Li Ching Chung) (*Chairman*)

Executive Directors

Mr. Sy Man Chiu (*Chief Executive Officer*)
Mr. Ng Sik Chiu

Independent Non-executive Directors

Dr. Yu Sun Say
Mr. Lai Man Sing
Ms. Tsang Ngo Yin

AUDIT COMMITTEE

Mr. Lai Man Sing (*Chairman*)
Dr. Yu Sun Say
Ms. Tsang Ngo Yin

REMUNERATION COMMITTEE

Dr. Yu Sun Say (*Chairman*)
Mr. Keng Stephen Lee
(formerly known as Li Ching Chung)
Mr. Lai Man Sing

NOMINATION COMMITTEE

Mr. Keng Stephen Lee
(formerly known as Li Ching Chung) (*Chairman*)
Dr. Yu Sun Say
Mr. Lai Man Sing
Ms. Tsang Ngo Yin
(appointed on 27 June 2025)

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

28/F, Shun Feng International Centre
182 Queen's Road East
Wan Chai
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301–04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

COMPANY SECRETARY

Mr. Wu Man Sun

LEGAL ADVISER

CLKW Lawyers LLP
Rooms 1901A, 1902 & 1902A
19th Floor, New World Tower 1
16–18 Queen's Road Central
Central
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AUDITOR

Baker Tilly Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Level 8, K11 ATELIER King's Road
728 King's Road
Quarry Bay
Hong Kong

PRINCIPAL BANKERS

Chiyu Banking Corporation Limited
Chong Hing Bank Limited
Dah Sing Bank Limited
The Hongkong and Shanghai Banking
Corporation Limited

WEBSITE

www.hkfsfinance.com

Management Discussion and Analysis

INDUSTRY REVIEW

During the first half of the financial year ending 31 March 2026, the global economy sustained a modest recovery with continued uncertainties. The Russo-Ukrainian conflict which intensified in early 2022 was yet to be resolved and the new tariffs introduced by the United States during the current financial year continued to pose a negative impact on the global supply chains.

The US Federal Reserve re-commenced the lowering of the interest rate in September 2025 since December 2024, which has further enhanced the investor's confidence in the financial market, albeit the extent of the lowering of the interest rate falls below the market's expectations.

Following the announcement of a series of support measures by the Chinese government since September 2024, market sentiment improved significantly since. The recent rapid developments of technology sector including AI and semiconductor industries have further attracted significant capital inflows into the market from investors.

According to the monthly market highlights provided by the Stock Exchange, average daily turnover for the securities market for the first three quarters of 2025 was HK\$256.4 billion, representing an increase of approximately 126% as compared to corresponding period in 2024. The total funds raised in the securities market in Hong Kong for the first three quarters of 2025 was HK\$444.0 billion, representing an increase of approximately 252.0% as compared to corresponding period in 2024.

BUSINESS REVIEW

Since over two decades, the Group has been providing comprehensive financial services in Hong Kong, including (i) securities trading services including brokerage services and margin financing services; (ii) placing and underwriting services; and (iii) asset management services. During the six months ended 30 September 2025 (the "**Reporting Period**"), the Group's revenue was approximately HK\$17.0 million, representing an increase of approximately 53.7% in total revenue for the corresponding period in 2024.

Management Discussion and Analysis (Continued)

Securities Trading Services

Brokerage Services

The Group provides securities dealing and brokerage services and ancillary service to clients who maintain a trading account. Commission income from the Group's securities brokerage business and handling and other fee income for the Reporting Period increased by approximately 278.5% to approximately HK\$5.7 million as compared with that of the six months ended 30 September 2024 (the six months ended 30 September 2024: approximately HK\$1.5 million) and accounted for approximately 33.5% (the six months ended 30 September 2024: 13.6%) of the total revenue. The increase in revenue from brokerage services was attributable to the increased commission income received from the Group's clients and the increase in their trading turnover during the Reporting Period which is in line with the market trends. Also, the Group recorded a significant increase in handling and other fee income attributable to the increase in IPO subscriptions from the Group's clients due to the continuous improvement in the IPO market sentiment during the Reporting Period. The segment profit from brokerage services increased by approximately 399.1% to approximately HK\$3.7 million as compared with the corresponding period of 2024 (the six months ended 30 September 2024: approximately HK\$0.7 million) which is in line with the increase in trading turnover and volume of IPO subscriptions during the Reporting Period.

Margin Financing Services

The Group provides financing services to facilitate its clients' purchase of securities on a margin basis in the secondary market and subscription to IPOs. Interest income from margin financing provided by the Group for the Reporting Period increased by approximately 30.6% to approximately HK\$11.1 million as compared with that of the six months ended 30 September 2024 (the six months ended 30 September 2024: approximately HK\$8.5 million) and accounted for approximately 65.1% (the six months ended 30 September 2024: 76.6%) of the total revenue. The increase in interest income from margin financing was mainly due to an increase in the demand for margin financing services during the Reporting Period. The segment profit from margin financing services increased by approximately 97.2% to approximately HK\$7.7 million as compared with the corresponding period of 2024 (the six months ended 30 September 2024: approximately HK\$3.9 million) as the Group recorded a continued rebound in demand for the Group's margin financing services and the allowance for impairment loss recognised under the expected credit loss model for accounts receivable arising from the business of dealing in securities decreased by approximately 28.7% to approximately HK\$3.2 million (the six months ended 30 September 2024: approximately HK\$4.5 million) during the Reporting Period. To recover accounts receivable arising from the business of dealing in securities with impairment loss, the Group has taken various actions, including restructuring arrangements, issuing demand letters and commencing legal proceedings action against the borrowers.

As at 30 September 2025, the Group had 630 (30 September 2024: 607) active securities accounts as reported pursuant to Securities and Futures Ordinance.

Management Discussion and Analysis (Continued)

Placing and Underwriting Services

The Group provides placing and underwriting services by acting as (i) bookrunner, lead manager or underwriter of listing applicants in IPOs; (ii) placing agent of listed companies in connection with their issuance or sale of equity or debt securities; and (iii) manager for issue of bonds by listed or unlisted corporations, in return for placing and/or underwriting commission income. The commissions from placing and underwriting engagements vary on a case-by-case basis, as they are charged either based on pre-determined fixed fee or a fee calculated as a percentage of the total price of securities underwritten. Commission income from the Group's placing and underwriting services for the Reporting Period decreased by approximately 78.7% to approximately HK\$0.2 million as compared with that of the six months ended 30 September 2024 (the six months ended 30 September 2024: approximately HK\$1.1 million) and accounted for approximately 1.4% (the six months ended 30 September 2024: 9.8%) of the total revenue.

The Group engaged in different placing and underwriting exercises and successfully completed 1 project during the Reporting Period (the six months ended 30 September 2024: 2 projects). The lack of fund raising exercises from small and mid-sized issuers in the market, especially in the absence of new listing on GEM of the Stock Exchange during the Reporting Period, led to the decrease in number of transactions completed. The segment result from placing and underwriting services recorded a loss of approximately HK\$0.5 million (the six months ended 30 September 2024: loss of approximately HK\$0.7 million), which was mainly due to decreased staff costs during the Reporting Period.

Asset Management Services

During the Reporting Period, the revenue of asset management services was approximately HK\$3,000 (the six months ended 30 September 2024: HK\$2,000) and the segment loss was approximately HK\$87,000 (the six months ended 30 September 2024: HK\$88,000). The expansion of asset management services segment has met with difficulties under the current high level of interest rate and prolonged uncertain economic outlook.

Management Discussion and Analysis (Continued)

OUTLOOK AND PROSPECTS

The Group believes that the Hong Kong financial services industry with its strong history and foundation, sound reputation, supportive policies from the government and outstanding industry professionals, would remain in a top position worldwide. In view of the GEM listing regime reform, the Group considers there will be more business opportunities in placing and underwriting services in the current financial year ending 31 March 2026 since the Group has a strong history to provide services to the clients in this market. Also, as stated in the announcement dated 25 July 2025, Sinomax Securities Limited (“**Sinomax**”), an indirect wholly owned operating subsidiary of the Company, has submitted an application to the Securities and Futures Commission of Hong Kong on 25 July 2025 to provide virtual assets dealing and/or advisory services as an intermediary under its license for Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In view of the rapid development of virtual assets globally and the supportive stance of the Government of Hong Kong in recent years, the Group is of the view that, subject to obtaining the necessary regulatory approvals, the expansion of Sinomax’s business into the virtual assets-related services is in line with the Company’s strategy to provide more diversified products scope and range of services to the Group’s clients.

Following the long awaited commencement of lowering of interest rate by the US Federal Reserve in the current financial year, the Group expects that the clients will shift more assets into the securities market. Indeed, the demand for the Group’s margin financing services reached its bottom and recorded a rebound in the level of amount of the Group’s margin financing services to clients during the Reporting Period compared to that as at 31 March 2025.

The Group will leverage the knowledge and experience of its management team to seize opportunities as they arise by widening its products scope, range of services, co-operation with other brokers and expanding its clients’ base. In response to the opportunities in the market, the Group will remain prudent towards external factors arising from the global and local economic situation and enhance its strengths to consolidate the Group’s position in the industry.

The Group will continue to control its operating costs over the prolonged uncertain economic outlook to improve the cost effectiveness and profitability of the Group by utilising financial resources effectively.

Management Discussion and Analysis (Continued)

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group recorded a revenue of approximately HK\$17.0 million (the six months ended 30 September 2024: approximately HK\$11.1 million), representing an increase of approximately 53.7% compared with that of the six months ended 30 September 2024. The overall increase was mainly due to increase in commission and brokerage income on securities dealing, increase in handling and other fee income and increase in interest income from margin financing business during the Reporting Period.

Other Operating Expenses

For the Reporting Period, the other operating expenses decreased by approximately 15.0% to approximately HK\$3.3 million as compared with the six months ended 30 September 2024 (the six months ended 30 September 2024: approximately HK\$3.8 million). The decrease was mainly due to less legal and professional fee incurred for pursuing legal actions for recovery of accounts receivable arising from the business of dealing in securities with impairment loss during the Reporting Period.

Net Profit

For the Reporting Period, the Group's net profit was approximately HK\$6.2 million, representing an increase of approximately 321.2% compared with approximately HK\$1.5 million from the six months ended 30 September 2024. Such increase was mainly due to increase in commission and brokerage income on securities dealing, increase in handling and other fee income and increase in interest income from margin financing services as the demand for the Group's margin financing services continuously rebound as compared with the six months ended 30 September 2024.

Management Discussion and Analysis (Continued)

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintained a strong liquidity position with bank deposits, and financed its operations by cash mainly generated from operations. As at 30 September 2025, the Group had total bank balances for general accounts and cash of approximately HK\$145.1 million (as at 31 March 2025: approximately HK\$218.9 million). The decrease in balances was mainly to support the continued rebound in demand for the Group's margin financing services. As at 30 September 2025, the Group had net current assets of approximately HK\$360.8 million, representing an increase of approximately HK\$6.3 million as compared with that of approximately HK\$354.5 million as at 31 March 2025. The financial position of the Group remained stable during the Reporting Period.

The Group's gearing ratio was nil as at 30 September 2025 (as at 31 March 2025: Nil).

Gearing ratio is calculated based on total debts which represent bank borrowings only, divided by net assets as at the end of the Reporting Period.

Borrowings

As at 30 September 2025, the Group had nil bank borrowings (as at 31 March 2025: Nil).

Pledge of Assets

As at 30 September 2025, the Group did not have any pledged assets (as at 31 March 2025: Nil).

Foreign Currency Exposure

As the Group only operates in Hong Kong and the majority of the revenue and transactions arising from its operations were settled in Hong Kong dollar, the directors of the Company (the "Directors") are of the view that the Group's foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange rate risk for the Reporting Period.

Capital Commitments and Contingent Liabilities

As at 30 September 2025, the Group did not have any significant capital commitment and contingent liabilities (as at 31 March 2025: Nil).

Management Discussion and Analysis (Continued)

Employees and Remuneration Policies

As at 30 September 2025, the Group employed 15 staff (as at 31 March 2025: 15). The employees' remuneration was determined based on factors such as qualification, duty, contributions and years of experience. Staff costs primarily consist of fees, salaries, discretionary bonus and other benefits as well as contributions to the mandatory provident fund for the Director and employees of the Group. Staff costs are at approximately HK\$5.6 million during the Reporting Period (the six months ended 30 September 2024: HK\$5.5 million).

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

During the Reporting Period, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

Significant Investments Held by the Group

As at 30 September 2025, the Group did not make any significant investments (as at 31 March 2025: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed under the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 31 January 2020 (the "**Prospectus**"), the Group did not have other future plans for material investments or capital assets as at the date of this interim report.

Management Discussion and Analysis (Continued)

USE OF PROCEEDS

The net proceeds from the listing of the Company's shares on the main board of the Stock Exchange received by the Group, after deducting related expenses, were approximately HK\$90.6 million. These net proceeds are intended to be applied in accordance with the proposed application set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. Such uses include: (i) expansion of placing and underwriting business; (ii) funding for margin financing business; (iii) establishment and renovation of a new office; (iv) expansion of workforce; (v) enhancement of IT systems; (vi) promotion and marketing; and (vii) working capital.

Business strategies	Net proceeds as allocated in accordance with the Prospectus HK\$ Million	Actual use of net proceeds up to 30 September 2025 HK\$ Million	Unutilised use of net proceeds up to 30 September 2025 HK\$ Million	Expected timeline of full utilisation of the balance
Expansion of placing and underwriting business	27.0	27.0	–	–
Funding for margin financing business	10.2	10.2	–	–
Establishment and renovation of a new office	15.7	–	15.7	End of 2026
Expansion of workforce	12.9	1.1	11.8	End of 2026
Enhancement of IT systems	9.0	–	9.0	End of 2026
Promotion and marketing	7.2	–	7.2	End of 2026
Working capital	8.6	8.6	–	–
Total	90.6	46.9	43.7	

As at 30 September 2025, the unutilised net proceeds were placed with a licensed bank in Hong Kong.

In consideration of the prolonged uncertain economic outlook, the Group has adopted a conservative but flexible approach for utilising the net proceeds effectively and efficiently for the long-term development of the Group. The Group has kept the expansion and development plans on hold during the Reporting Period, and planned to resume when the global economic environment is stabilised.

The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market condition to ascertain the business growth of the Group. During the Reporting Period, the Directors considered that no modification of the use of net proceeds described in the Prospectus was required.

Management Discussion and Analysis (Continued)

INTERIM DIVIDENDS

The board of the Directors (the “**Board**”) does not recommend the declaration of interim dividend for the Reporting Period (the six months ended 30 September 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

The Group had no material subsequent events after the Reporting Period and up to the date of this report.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is of the view that the Company has met the code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Throughout the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has 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 its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specific enquiry by the Company of all Directors that they have fully complied with the required standard as set out in the Model Code throughout the Reporting Period.

AUDIT COMMITTEE

The Company established its Audit Committee which consists of three members, namely Mr. Lai Man Sing (chairman), Dr. Yu Sun Say and Ms. Tsang Ngo Yin. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations for ensuring compliance with the relevant regulatory requirements.

The Audit Committee has reviewed with management of the Company the Group’s unaudited condensed consolidated interim financial statements for the six months ended 30 September 2025 including the accounting principles and practices adopted by the Group.

Management Discussion and Analysis (Continued)

REVIEW OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements of the Group as set out in this interim report had been reviewed by the Audit Committee and the Company's auditor, Baker Tilly Hong Kong Limited.

DEED OF NON-COMPETITION

The controlling shareholders as defined in the Listing Rules and, in the context of the Company, means Mr. Keng Stephen Lee, Ms. Yeung Lai Lai and Man Chase Holdings Limited (collectively the **"Controlling Shareholders"**), have entered into the deed of non-competition dated 22 January 2020 (the **"Deed of Non-competition"**) in favour of the Company, details of which were set out in the Prospectus. Pursuant to the Deed of Non-competition, the Controlling Shareholders have undertaken to the Company (for itself and as trustee for each of its subsidiaries from time to time) that with effect from the date of listing of the Company's shares on the Main Board of the Stock Exchange (the **"Listing Date"**), they would not and would procure that none of their close associates (except for any members of the Group) shall, except through their interests in the Company, whether as principal or agent and whether undertaken directly or indirectly, either on their own account or in conjunction with or on behalf of any person, corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise, among other things, carry on, participate, acquire or hold any right or interest or otherwise be interested, involved or engaged in or connected with, directly or indirectly, any business which is, directly or indirectly, in any respect in competition with or similar to or is likely to be in competition with the core business of the Group currently excluded or possibly in the future to be engaged by the Group in Hong Kong or any other countries or jurisdictions as the Group may conduct or carry on business from time to time (the **"Undertakings"**).

The Controlling Shareholders have confirmed to the Company that during the Reporting Period and up to the date of this interim report, they and their respective close associates (as defined under the Listing Rules) have complied with the Undertakings contained in the Deed of Non-competition.

Management Discussion and Analysis (Continued)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, the following Directors and chief executive of the Company had or were deemed to have interests or short positions in the 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 (Cap. 571 of the Laws of Hong Kong (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Interest in shares of the Company

Name of Director	Capacity/nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding (%)
Mr. Keng Stephen Lee ("Mr. Keng")	Interest in controlled corporation (Note 2)	750,000,000 shares (L)	75%

Notes:

- (1) The letter "L" denotes a person's long position in the shares.
- (2) Mr. Keng owns 60% of the issued share capital of Man Chase Holdings Limited ("Man Chase"). By virtue of the SFO, Mr. Keng is deemed to be interested in such Shares held by Man Chase.

Management Discussion and Analysis (Continued)

Interest in shares of associated corporation of the Company

Name of Director	Name of associated corporation	Capacity/nature of interest	Number and class of securities (Note)	Approximate percentage of shareholding in associated Corporation (%)
Mr. Keng	Man Chase	Beneficial owner	60 Shares (L)	60%

Note: The letter "L" denotes a person's long position in the shares.

Save as disclosed above, as at 30 September 2025, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2025, so far as is known to the Directors, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares, underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of interests required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity/nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding (%)
Man Chase	Beneficial owner	750,000,000 Shares (L)	75%
Ms. Yeung Lai Lai ("Ms. Yeung")	Interest in controlled corporation (Note 2)	750,000,000 Shares (L)	75%
Ms. Mei Ngar Cindy Sze (Note 3)	Interest of spouse	750,000,000 Shares (L)	75%
Mr. Ng Hoi Shuen (Note 4)	Interest of spouse	750,000,000 Shares (L)	75%

Management Discussion and Analysis (Continued)

Notes:

- (1) The letter “L” denotes a person’s long position in the Shares.
- (2) Man Chase is owned as to 60% by Mr. Keng and 40% by Ms. Yeung. Therefore, each of Mr. Keng and Ms. Yeung is deemed to be interested in the Shares held by Man Chase under the SFO.
- (3) Ms. Mei Ngar Cindy Sze is the spouse of Mr. Keng.
- (4) Mr. Ng Hoi Shuen is the spouse of Ms. Yeung.

Save as disclosed above, as at 30 September 2025, none of the substantial or significant shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the paragraph headed “Directors’ and chief executive’s interests and short positions in shares, underlying shares and debentures” above, had any interests or 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.

SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDER Facility Agreement I

Reference is made to the announcement of the Company dated 12 August 2021. On 12 August 2021, Sinomax, an indirect wholly-owned subsidiary of the Company, as borrower, and the Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”), as lender, entered into a facility agreement in relation to a revolving loan facility and an overdraft facility of up to a principal amount of HK\$15,000,000 and HK\$10,000,000 respectively (the “**Facility Agreement I**”), which are agreed to be made available by HSBC to Sinomax on the terms and conditions contained therein.

Pursuant to Facility Agreement I, specific performance obligations are imposed as follows: (a) Mr. Keng and Ms. Yeung, undertake not to charge or otherwise encumber the shares of the Company without HSBC’s prior written consent; (b) Mr. Keng and Ms. Yeung undertake, upon request by HSBC, to provide a written confirmation to HSBC for the compliance with its negative pledge obligation; and (c) Mr. Keng and Ms. Yeung undertake, upon request by HSBC, to transfer their shares in the Company to HSBC’s account regularly to evidence free of encumbrance.

Management Discussion and Analysis (Continued)

Mr. Keng and Ms. Yeung will be required for so long as the facilities under the Facility Agreement I are available to Sinomax to comply with the above undertakings. A breach of the above specific performance obligations by Mr. Keng and Ms. Yeung may result in HSBC to cancel all or any part of the commitments under the Facility Agreement I and all amounts outstanding under the Facility Agreement I may immediately become due and payable. Under the Facility Agreement I, HSBC has the right to suspend, withdraw or make demand for repayment in respect of the whole or any part of the facilities made available to Sinomax at any time.

The facilities under Facility Agreement I have no fixed terms and are subject to periodic review of HSBC.

As at 30 September 2025, loan amount outstanding under Facility Agreement I was HK\$Nil.

Facility Agreement II

Reference is made to the announcement of the Company dated 29 August 2024. On 29 August 2024, Sinomax, as borrower, and a licensed bank in Hong Kong, as lender, entered into Facility Agreement II in relation to overdraft facilities of up to principal amount of HK\$60,000,000 in aggregate, which are agreed to be made available by the bank to Sinomax on the terms and conditions contained therein.

Pursuant to Facility Agreement II, specific performance obligations are imposed as Mr. Keng and Ms. Yeung shall jointly maintain not less than 51% shareholding of the Company in aggregate.

Mr. Keng and Ms. Yeung will be required for so long as the facilities under the Facility Agreement II are available to Sinomax to comply with the above undertaking. A breach of the above specific performance obligation by Mr. Keng and Ms. Yeung may result in the bank to cancel all or any part of the commitment under the Facility Agreement II and all amounts outstanding under the Facility Agreement II may immediately become due and payable. Under the Facility Agreement II, the bank has the right to modify, cancel, suspend or make demand for repayment in respect of the whole or any part of the facilities made available to Sinomax at any time.

The facilities under Facility Agreement II have no fixed terms and are subject to periodic review of the bank.

As at 30 September 2025, loan amount outstanding under Facility Agreement II was HK\$Nil.

Management Discussion and Analysis (Continued)

SHARE OPTION SCHEME

The share option scheme (the “**Share Option Scheme**”) is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules. The Share Option Scheme was conditionally adopted and effective upon Listing by the written resolutions of its then sole Shareholder passed on 22 January 2020 (the “**Adoption Date**”). The Company is thus entitled to issue a maximum of 100,000,000 shares upon exercise of the share options to be granted under the Share Option Scheme limit, representing 10% of the shares in issue as at the Listing Date.

The purpose of the Share Option Scheme is to motivate any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries, any directors (including executive, non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries, any advisers (professional or otherwise), consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and related entities who, in the sole opinion of the Board, will contribute or have contributed to the Company or any of its subsidiaries (collectively, the “**Eligible Participants**”) to optimize their performance efficiency for benefit of the Group and attract and retain or otherwise maintain on-going business relationship with the Eligible Participants.

During the Reporting Period, no options were granted by the Company and no options were exercised, cancelled or lapsed under the Share Option Scheme.

The Company did not have any outstanding share options, warrants, derivatives or securities where are convertible or exchangeable into Shares as at 1 April 2025 and 30 September 2025. As such, the number of shares that may be issued upon exercise of the options under the Share Option Scheme is 100,000,000 as at the beginning and the end of the Reporting Period.

By order of the Board
Fu Shek Financial Holdings Limited
Keng Stephen Lee
Chairman

Hong Kong, 27 November 2025

As at the date of this report, the Board comprises Mr. Keng Stephen Lee as chairman and non-executive Director, Mr. Sy Man Chiu and Mr. Ng Sik Chiu as executive Directors, and Dr. Yu Sun Say, Mr. Lai Man Sing and Ms. Tsang Ngo Yin as independent non-executive Directors.

Report on Review of Condensed Consolidated Financial Statements



TO THE BOARD OF DIRECTORS OF FU SHEK FINANCIAL HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Fu Shek Financial Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 20 to 42, which comprise the condensed consolidated statement of financial position as at 30 September 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

Report on Review of Condensed Consolidated Financial Statements (Continued)

CONCLUSION

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

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 27 November 2025

Chan Ka Kit

Practising certificate number P08291

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

		Six months ended 30 September	
		2025	2024
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
		Notes	
Revenue			
Fee and commission income	4	5,933	2,588
Interest income under effective interest method		11,067	8,476
		17,000	11,064
Other gains and losses		48	(194)
Other income	6	2,590	5,119
Staff costs	7	(5,630)	(5,510)
Finance costs	8	(111)	(43)
Impairment loss recognised	9	(3,240)	(4,545)
Commission expenses		(874)	(176)
Depreciation of property and equipment		(421)	(414)
Other operating expenses		(3,262)	(3,837)
Profit before taxation	10	6,100	1,464
Taxation	11	67	—
Profit and total comprehensive income for the period		6,167	1,464
Earnings per share			
Basic (HK cents per share)	12	0.62	0.15

Condensed Consolidated Statement of Financial Position

As at 30 September 2025

	Notes	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Non-current assets			
Property and equipment	14	257	587
Intangible asset		2,735	2,735
Other assets	15	809	413
Deposits	17	–	230
		3,801	3,965
Current assets			
Accounts receivable	16	217,676	171,357
Deposits, other receivable and prepayments	17	455	247
Tax recoverable		–	1,903
Bank balances – trust and segregated accounts		164,351	148,119
Bank balances – general accounts and cash		145,061	218,896
		527,543	540,522
Current liabilities			
Accounts payable	18	165,364	184,014
Other payables and accrued charges	19	1,278	1,587
Lease liabilities	20	119	470
		166,761	186,071
Net current assets		360,782	354,451
Net assets		364,583	358,416
Capital and reserves			
Share capital	21	10,000	10,000
Reserves		354,583	348,416
Total capital and reserves		364,583	358,416

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Attributable to owners of the Group				Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Retained earnings HK\$'000	Other reserve HK\$'000	
At 1 April 2024 (audited)	10,000	104,819	160,717	80,000	355,536
Profit and total comprehensive income for the period	—	—	1,464	—	1,464
At 30 September 2024 (unaudited)	<u>10,000</u>	<u>104,819</u>	<u>162,181</u>	<u>80,000</u>	<u>357,000</u>
At 1 April 2025 (audited)	10,000	104,819	163,597	80,000	358,416
Profit and total comprehensive income for the period	—	—	6,167	—	6,167
At 30 September 2025 (unaudited)	<u>10,000</u>	<u>104,819</u>	<u>169,764</u>	<u>80,000</u>	<u>364,583</u>

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
OPERATING ACTIVITIES		
Operating cash flows before movements in working capital	7,294	1,359
(Increase) decrease in accounts receivable	(49,559)	(23,179)
(Increase) decrease in other assets	(396)	266
Decrease in deposits, other receivable and prepayments	22	446
(Increase) decrease in bank balances – trust and segregated accounts	(16,232)	69,944
Decrease in accounts payable	(18,650)	(61,635)
Decrease in other payables and accrued charges	(309)	(187)
NET CASH USED IN OPERATIONS	(77,830)	(12,986)
Bank interest received	2,578	5,107
Income tax refunded (paid)	1,970	(492)
NET CASH USED IN OPERATING ACTIVITIES	(73,282)	(8,371)
INVESTING ACTIVITY		
Purchase of property and equipment	(91)	–
CASH USED IN INVESTING ACTIVITY	(91)	–
FINANCING ACTIVITIES		
Repayments of lease liabilities	(351)	(331)
Interest paid	(111)	(43)
CASH USED IN FINANCING ACTIVITIES	(462)	(374)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(73,835)	(8,745)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	218,896	230,650
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	145,061	221,905

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

1. GENERAL

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “SEHK”) on 19 February 2020. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is situated at 28/F, Shun Feng International Centre, 182 Queen’s Road East, Wan Chai, Hong Kong. The Company’s immediate and ultimate holding company is Man Chase Holdings Limited, a company incorporated in the British Virgin Islands, which is owned by Mr. Keng Stephen Lee as to 60% and Ms. Yeung Lai Lai as to 40%, who are independent from each other and who have always been the controlling shareholders of the Company and other entities comprising the Group.

The principal activities of the Group are the provision of securities dealing and brokerage services, placing and underwriting services, securities margin financing services and asset management services in Hong Kong.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

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

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

3. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis.

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

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the Group's unaudited condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

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

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

4. FEE AND COMMISSION INCOME

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Commission and brokerage income on securities dealing	3,477	1,005
Placing and underwriting services income	230	1,080
Handling and other fee income	2,223	501
Asset management fee	3	2
	<u>5,933</u>	<u>2,588</u>

Disaggregation of fee and commission income from contracts with customers

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Timing of revenue recognition		
A point in time	5,912	2,564
Over time	21	24
	<u>5,933</u>	<u>2,588</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

5. SEGMENT INFORMATION

The Group's operating segment is determined based on information reported to the executive directors, being the chief operating decision makers ("CODM"), for the purpose of resource allocation and assessment of segment performance.

The Group's reportable and operating segments under HKFRS 8 are as follows:

- (a) the brokerage services segment comprising the provision of brokerage services in securities traded in Hong Kong and overseas markets;
- (b) the margin financing services segment comprising the provision of financing services to margin and cash clients;
- (c) the placing and underwriting services segment comprising the provision of underwriting, sub-underwriting and placing services; and
- (d) the asset management services segment comprising the provision of investment management services.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

5. SEGMENT INFORMATION (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3 to the Group's annual financial statements for the year ended 31 March 2025. Segment profit/(loss) represents the profit or loss earned by each segment without allocation of other income, other gains and losses, unallocated staff costs, unallocated finance costs, depreciation and unallocated other operating expenses. No inter-segment revenues are charged among segments.

Period ended 30 September 2025

	Brokerage services HK\$'000	Margin financing services HK\$'000	Placing and underwriting services HK\$'000	Asset management services HK\$'000	Total HK\$'000
Segment revenue	<u>5,700</u>	<u>11,067</u>	<u>230</u>	<u>3</u>	<u>17,000</u>
Segment profit/(loss)	<u>3,693</u>	<u>7,726</u>	<u>(460)</u>	<u>(87)</u>	<u>10,872</u>
Other income and gains					2,638
Unallocated staff costs					(4,114)
Unallocated finance costs					(10)
Depreciation					(421)
Unallocated other operating expenses					<u>(2,865)</u>
Profit before taxation					<u>6,100</u>
Other segment information:					
Interest income from clients	<u>-</u>	<u>11,067</u>	<u>-</u>	<u>-</u>	<u>11,067</u>
Interest on bank borrowings	<u>-</u>	<u>(101)</u>	<u>-</u>	<u>-</u>	<u>(101)</u>
Commission expenses	<u>(874)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(874)</u>
Impairment loss recognised	<u>-</u>	<u>(3,240)</u>	<u>-</u>	<u>-</u>	<u>(3,240)</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

5. SEGMENT INFORMATION (Continued)

Period ended 30 September 2024

	Brokerage services HK\$'000	Margin financing services HK\$'000	Placing and underwriting services HK\$'000	Asset management services HK\$'000	Total HK\$'000
Segment revenue	<u>1,506</u>	<u>8,476</u>	<u>1,080</u>	<u>2</u>	<u>11,064</u>
Segment profit/(loss)	<u>740</u>	<u>3,917</u>	<u>(666)</u>	<u>(88)</u>	<u>3,903</u>
Other income and losses					4,925
Unallocated staff costs					(3,250)
Unallocated finance costs					(29)
Depreciation					(414)
Unallocated other operating expenses					<u>(3,671)</u>
Profit before taxation					<u>1,464</u>
Other segment information:					
Interest income from clients	<u>–</u>	<u>8,476</u>	<u>–</u>	<u>–</u>	<u>8,476</u>
Interest on bank borrowings	<u>–</u>	<u>(14)</u>	<u>–</u>	<u>–</u>	<u>(14)</u>
Commission expenses	<u>(120)</u>	<u>–</u>	<u>(56)</u>	<u>–</u>	<u>(176)</u>
Impairment loss recognised	<u>–</u>	<u>(4,545)</u>	<u>–</u>	<u>–</u>	<u>(4,545)</u>

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment.

Geographical information

The Group's operations are principally located in Hong Kong and all of the Group's revenue and non-current assets are derived from and located in Hong Kong.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

6. OTHER INCOME

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Bank interest income	2,578	5,107
Sundry income	12	12
	<u>2,590</u>	<u>5,119</u>

7. STAFF COSTS

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Directors' remuneration		
– fees	360	360
– salaries, discretionary bonus and other benefits	2,149	1,978
– contributions to the retirement benefit scheme	9	9
Salaries and other benefits	3,022	3,069
Contributions to the retirement benefit scheme	90	94
	<u>5,630</u>	<u>5,510</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

8. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on bank borrowings	101	14
Interest on lease liabilities	10	29
	<u>111</u>	<u>43</u>

9. IMPAIRMENT LOSS RECOGNISED

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Impairment loss recognised on:		
Accounts receivable arising from the business of dealing in securities	3,240	4,545

The basis of determining the inputs and assumptions and the estimation techniques used in the unaudited condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those followed in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2025.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

10. PROFIT BEFORE TAXATION

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit before taxation has been arrived at after charging:		
Auditor's remuneration		
– Annual audit	400	400
– Interim review	200	200
Legal and professional fees	727	1,641
Information services expenses	1,125	896
Settlement and brokerage trading expenses	397	166
	<u>6,849</u>	<u>6,849</u>

11. TAXATION

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax:		
Hong Kong Profits Tax	–	–
Overprovision in prior year	67	–
	<u>67</u>	<u>–</u>

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. No provision for Hong Kong Profits Tax has been made as there is no assessable profits for the current and prior periods.

For the six months ended 30 September 2025

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

No diluted earnings per share is presented for the six-month period ended 30 September 2025 and 2024 as there were no potential dilutive shares.

No dividend was paid or proposed for ordinary shareholders of the Company during the six months ended 30 September 2025, nor has any dividend been proposed since the end of the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

14. PROPERTY AND EQUIPMENT

	Furniture and fixtures HK\$'000	Office equipment HK\$'000	Computer HK\$'000	Leasehold improvements HK\$'000	Sub- total HK\$'000	Right- of-use assets HK\$'000	Total HK\$'000
COST							
At 1 April 2024 (audited)							
and 31 March 2025 (audited)	358	95	473	176	1,102	1,267	2,369
Additions	–	–	91	–	91	–	91
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2025 (unaudited)	<u>358</u>	<u>95</u>	<u>564</u>	<u>176</u>	<u>1,193</u>	<u>1,267</u>	<u>2,460</u>
ACCUMULATED DEPRECIATION							
At 1 April 2024 (audited)	306	81	424	29	840	115	955
Provided for the year	<u>10</u>	<u>6</u>	<u>31</u>	<u>88</u>	<u>135</u>	<u>692</u>	<u>827</u>
At 31 March 2025 (audited)	316	87	455	117	975	807	1,782
Provided for the period	<u>5</u>	<u>2</u>	<u>24</u>	<u>44</u>	<u>75</u>	<u>346</u>	<u>421</u>
At 30 September 2025 (unaudited)	<u>321</u>	<u>89</u>	<u>479</u>	<u>161</u>	<u>1,050</u>	<u>1,153</u>	<u>2,203</u>
CARRYING VALUES							
At 30 September 2025 (unaudited)	<u>37</u>	<u>6</u>	<u>85</u>	<u>15</u>	<u>143</u>	<u>114</u>	<u>257</u>
At 31 March 2025 (audited)	<u>42</u>	<u>8</u>	<u>18</u>	<u>59</u>	<u>127</u>	<u>460</u>	<u>587</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

15. OTHER ASSETS

	As at 30 September 2025 <i>HK\$'000</i> (unaudited)	As at 31 March 2025 <i>HK\$'000</i> (audited)
The SEHK		
– Compensation Fund deposits	50	50
– Fidelity Fund deposits	50	50
Hong Kong Securities Clearing Company Limited ("HKSCC")		
– Admission fees	50	50
– Guarantee Fund contribution	659	263
	809	413

The balances represent statutory deposits with the SEHK and HKSCC which are non-interest bearing.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

16. ACCOUNTS RECEIVABLE

	As at 30 September 2025 <i>HK\$'000</i> (unaudited)	As at 31 March 2025 <i>HK\$'000</i> (audited)
Accounts receivable arising from the business of dealing in securities (<i>note a</i>)		
– HKSCC	502	29,342
– Cash clients	1,394	2,199
– Margin clients	246,741	168,245
– Broker	16	–
Accounts receivable arising from placing and underwriting services (<i>note b</i>)	1,410	1,180
	250,063	200,966
Less: allowance for impairment loss		
– accounts receivable arising from the business of dealing in securities	(31,207)	(28,429)
– accounts receivable arising from placing and underwriting services	(1,180)	(1,180)
	217,676	171,357

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

16. ACCOUNTS RECEIVABLE (Continued)

Notes:

- (a) The normal settlement terms of accounts receivable from cash clients, broker and HKSCC are two days after trade date. In respect of accounts receivable from cash clients which are past due at the end of the reporting period, the ageing analysis (from settlement date) is as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
0–30 days	704	123
31–60 days	235	–
61–90 days	–	1
Over 90 days	4	1
	943	125

Accounts receivable from HKSCC and broker are related to unsettled trades and not yet past due.

No ageing analysis is disclosed, in respect of accounts receivable from margin clients, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

Management assessed the fair value of the securities held by the Group of each individual client who had shortfall and provision for impairment loss of HK\$31,207,000 was made as at 30 September 2025 (31 March 2025: HK\$28,429,000). Allowance for impairment loss amounted to HK\$462,000 (30 September 2024: HK\$545,000) was written-off during the current period.

- (b) No credit period is granted for accounts receivable arising from placing and underwriting services. The ageing analysis (based on the revenue recognition date) is as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
31–60 days	230	–
Over 365 days	1,180	1,180
	1,410	1,180

Impairment allowance of HK\$1,180,000 (31 March 2025: HK\$1,180,000) has been made for accounts receivable from placing and underwriting services.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

17. DEPOSITS, OTHER RECEIVABLE AND PREPAYMENTS

	As at 30 September 2025 <i>HK\$'000</i> (unaudited)	As at 31 March 2025 <i>HK\$'000</i> (audited)
Deposits	333	327
Other receivable	1	1
Prepayments	121	149
	<u>455</u>	<u>477</u>
Analyses as:		
Current	455	247
Non-current	–	230
	<u>455</u>	<u>477</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

18. ACCOUNTS PAYABLE

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Cash clients	118,478	144,969
Margin clients	45,763	36,107
HKSCC	1,123	2,938
	165,364	184,014

The normal settlement terms of accounts payable to clients and HKSCC are two days after trade date.

Accounts payable to cash clients, margin clients and HKSCC are repayable on demand after settlement date. No ageing analysis is disclosed as in the opinion of directors of the Company, the ageing analysis does not give additional value in view of the nature of this business.

The accounts payable amounting to HK\$164,351,000 (31 March 2025: HK\$148,119,000) were payable to clients in respect of the trust and segregated bank balances received and held for clients in the course of the conduct of regulated activities. However, the Group does not have a currently enforceable right to offset these payables with the deposits placed.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

19. OTHER PAYABLES AND ACCRUED CHARGES

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Other payables	622	678
Accrued charges	656	909
	<u>1,278</u>	<u>1,587</u>

20. LEASE LIABILITIES

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Minimum lease payment due:		
Within one year	120	480
Less: Future finance charge	(1)	(10)
	<u>119</u>	<u>470</u>
Present value of lease liabilities:		
Within one year	119	470

The Group leases one property to operate its business and these liabilities were measured at the present value of the lease payments that are not yet paid.

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

21. SHARE CAPITAL

Details of the share capital of the Company are as follows:

	Number of shares	Nominal amount <i>HK\$'000</i>
Authorised:		
At 31 March 2024 and 2025 and 30 September 2025	<u>5,000,000,000</u>	<u>50,000</u>
Issued and fully paid:		
At 31 March 2024 and 2025 and 30 September 2025	<u>1,000,000,000</u>	<u>10,000</u>

22. RELATED PARTY TRANSACTIONS

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

	Six months ended 30 September	
	2025 <i>HK\$'000</i> (unaudited)	2024 <i>HK\$'000</i> (unaudited)
Commission income received from the following directors, controlling shareholders and related party of the Company		
– Mr. Sy Man Chiu and his close members of the family	5	2
– Mr. Keng Stephen Lee and his close members of the family	–	1
– Ms. Yeung Lai Lai and her close members of the family	<u>6</u>	<u>17</u>
	<u>11</u>	<u>20</u>
Interest income received from the following directors, controlling shareholders and related party of the Company		
– Ms. Yeung Lai Lai and her close members of the family	<u>76</u>	<u>89</u>

Notes to the Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 September 2025

22. RELATED PARTY TRANSACTIONS (Continued)

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Handling fee income from the following directors, controlling shareholders and related party of the Company		
– Mr. Sy Man Chiu and his close members of the family	–	1
– Mr. Keng Stephen Lee and his close members of the family	1	2
– Ms. Yeung Lai Lai and her close members of the family	1	1
	<u>1</u>	<u>1</u>
	<u>2</u>	<u>4</u>
Lease payments to a company beneficially owned from the following controlling shareholder of the Company		
– Close member of Ms. Yeung Lai Lai	360	360
	<u>360</u>	<u>360</u>
Key management personnel remuneration		
– Fees, salaries, commission expenses, discretionary bonus and other benefits	3,654	3,539
– Retirement benefit scheme contributions	27	27
	<u>3,681</u>	<u>3,566</u>

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the unaudited condensed consolidated financial statements approximate their fair values. The fair value of financial assets and financial liabilities are determined in accordance with discounted cash flow analysis.