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Non-Collateralised Structured Products

issued by

**true*friend* Korea Investment
& Securities Asia Ltd.**

**Korea Investment & Securities Asia Limited
("Issuer")**

(incorporated with limited liability in Hong Kong)

Announcement for Publication of Interim Report

The Issuer has released its unaudited interim report for the six months ended 30 June 2026 ("**Interim Report**") on 24 September 2026. A copy of the Interim Report is included at the end of this announcement. References to page numbers in the Interim Report are to pages therein and not to pages in this announcement.

This announcement, which includes the Interim Report, is also available on our website at <https://kisasiawarrants.com/en/warrant/warrant-announcements>.

Korea Investment & Securities Asia Limited
24 September 2026

KOREA INVESTMENT AND SECURITIES ASIA LIMITED

韓國投資證券亞洲有限公司

(Incorporated in Hong Kong with limited liability)

Interim Financial Report

For the six months ended 30 June 2026

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Notes	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
ASSETS			
Non-current assets			
Property and equipment	3	44,067	15,288
Intangible assets	4	1,022,386	1,067,158
Right-of-use assets	5(a)	6,150,536	8,200,714
Investment in associate	6	76,349,741	74,680,935
Financial assets measured at amortised cost	7	160,077,085	160,187,879
Statutory deposits	8	76,234,101	119,217,387
Deposits and other assets	9	1,497,989	1,400,249
		<u>321,375,905</u>	<u>364,769,610</u>
Current assets			
Amounts due from broker	10	4,185,690	289,631
Amount due from immediate holding company	11	5,800,673	2,332,640
Financial assets measured at amortised cost	7	1,487,166	1,517,530
Financial assets at fair value through profit or loss	12	1,359,104,249	1,066,611,416
Deposits and other assets	9	4,084,966	6,170,416
Cash and cash equivalents	13		
-General accounts		1,116,700,395	2,502,691,232
-Segregated accounts		51,588,788	168,709,524
Trade and other receivables	14	66,566,653	37,264,677
		<u>2,609,518,580</u>	<u>3,785,587,066</u>
Total assets		<u><u>2,930,894,485</u></u>	<u><u>4,150,356,676</u></u>

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026
(Continued)

	Notes	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
EQUITY			
Equity attributable to the owners of the Company			
Share capital	22	2,492,848,438	3,700,321,900
Retained earnings		159,343,091	84,969,680
Total equity		<u>2,652,191,529</u>	<u>3,785,291,580</u>
LIABILITIES			
Current liabilities			
Financial liabilities at fair value through profit or loss	12	70,360,844	47,699,884
Accrued bonus		2,213,022	4,426,039
Accounts payable and accruals		5,070,207	6,241,113
Amount due to broker	10	3,920,882	-
Lease liabilities	5(b)	4,190,478	4,097,564
Trade and other payables	15	167,917,465	288,314,613
		<u>253,672,898</u>	<u>350,779,213</u>
Non-Current liabilities			
Lease liabilities	5(b)	2,167,350	4,287,091
Pillar Two tax liabilities	16	22,862,708	9,998,792
		<u>25,030,058</u>	<u>14,285,883</u>
Total liabilities		<u>278,702,956</u>	<u>365,065,096</u>
Total equity and liabilities		<u>2,930,894,485</u>	<u>4,150,356,676</u>

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	Six months ended 30 June 2026 HK\$ (Unaudited)	2025 HK\$ (Unaudited)
Revenue			
Fee income	17	30,581,916	22,451,180
Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	18	11,726,192	(40,245,327)
Net losses on interest in associates at fair value		(381,338)	(263,877)
Dividend income		8,832,482	1,359,223
Interest income	19	19,131,789	36,826,953
		<u>69,891,041</u>	<u>20,128,152</u>
Other income			
Other interest income	19	7,583,174	17,252,904
Income from money market funds		22,634,541	32,078,024
Exchange gains, net		19,989,478	65,303,819
Other income		1,937	5,015
		<u>50,209,130</u>	<u>114,639,762</u>
Net total income		<u>120,100,171</u>	<u>134,767,914</u>
Expenses			
Staff costs		(15,188,271)	(20,844,516)
Travelling and entertainment		(924,223)	(1,982,273)
Information and communication costs		(8,584,375)	(8,703,236)
Insurance costs		(432,469)	(528,844)
Depreciation			
- Property and equipment		(17,149)	(80,822)
- Right-of-use asset		(2,050,178)	(2,050,178)
Auditor's remuneration		(41,500)	-
Transaction fees		(466,552)	(1,132,532)
Commission and transaction fees related to loans and funds		(1,351,720)	(947,070)
Other operating expenses		(2,983,251)	(3,201,954)
Amortisation expense		(44,772)	(436,899)
Total expenses		<u>(32,084,460)</u>	<u>(39,908,324)</u>
Impairment losses		<u>(276,403)</u>	<u>(84,367)</u>

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026 (Continued)

	Notes	Six months ended 30 June 2026 HK\$ (Unaudited)	2025 HK\$ (Unaudited)
Finance costs			
- Interest paid to bank and broker		(51,136)	(7,245)
- Interest expense on lease liabilities		(161,205)	(250,011)
		<u>(212,341)</u>	<u>(257,256)</u>
Profit before tax		87,526,967	94,517,967
Tax expense	20	<u>(13,153,556)</u>	<u>(10,236,323)</u>
Profit and total comprehensive income for the period		<u>74,373,411</u>	<u>84,281,644</u>

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	(Unaudited)		
	Share capital HK\$	Retained earnings HK\$	Total HK\$
As at 1 January 2025	3,700,321,900	367,995,218	4,068,317,118
Profits and total comprehensive income for the period	-	84,281,644	84,281,644
As at 30 June 2025	<u>3,700,321,900</u>	<u>452,276,862</u>	<u>4,152,598,762</u>
 As at 1 January 2026	 3,700,321,900	 84,969,680	 3,785,291,580
Redemption of share capital	(1,207,473,462)	-	(1,207,473,462)
Profits and total comprehensive income for the period	-	74,373,411	74,373,411
As at 30 June 2026	<u>2,492,848,438</u>	<u>159,343,091</u>	<u>2,652,191,529</u>

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	Six months ended 30 June 2026 HK\$ (Unaudited)	2025 HK\$ (Unaudited)
Operating activities			
Profit before tax		87,526,967	94,517,967
Adjustments for:			
Depreciation		2,067,327	2,131,000
Amortisation expense		44,772	436,899
Impairment losses charged		276,403	84,367
Interest income		(26,714,963)	(54,079,857)
Finance costs		212,341	257,256
Net losses on interest in associates at fair value		381,338	263,877
Unrealised loss on financial assets and financial liabilities at fair value through profit or loss		(19,811,543)	21,964,843
Unrealised loss/(gain) on foreign exchange of interest in associates		39,247,977	(1,275,092)
Changes in working capital:			
Decrease/(Increase) in financial assets measured at amortised cost		8,069,774	(1,684,070)
Increase in financial assets at fair value through profit or loss		(400,808,889)	(811,253,440)
Increase in due from immediate holding company		(3,468,033)	(1,171,502)
Decrease in deposits and other assets		45,112,211	58,243,506
(Increase)/decrease in amount due from broker		(65,973,211)	410,754,984
Increase in financial liabilities at fair value through profit or loss		22,660,960	9,951,098
Decrease in accrued bonus		(2,213,017)	(1,868,235)
Decrease in accounts payable and accruals		(1,170,906)	(3,266,805)
Increase/(decrease) in amount due to broker		1,484,780	(312,543,413)
Increase/(decrease) in trade and other receivables		112,274,348	(5,514,988)
(Decrease)/increase in trade and other payables		(10,377,433)	11,377,538
Cash used in operations		(211,178,797)	(582,674,067)
Interest received		36,713,048	58,360,988
Interest paid		(51,136)	(7,245)
Tax paid		(289,640)	(321,816)
Net cash used in operating activities		(174,806,525)	(524,642,140)

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2026 (Continued)

	Notes	Six months ended 30 June 2026 HK\$ (Unaudited)	2025 HK\$ (Unaudited)
Investing activities			
Purchased of fixed assets	3	(45,928)	-
Acquisition of interest in associates		(1,476,890)	(2,944,301)
Net cash used in investing activities		<u>(1,522,818)</u>	<u>(2,944,301)</u>
Financing activity			
Interest element of lease rentals paid		(161,205)	(250,011)
Capital element of lease rentals paid		(2,026,827)	(1,938,021)
Capital redemption		(1,207,473,462)	-
Net cash used in investing activity		<u>(1,209,661,494)</u>	<u>(2,188,032)</u>
Net decrease in cash and cash equivalents		<u>(1,385,990,837)</u>	<u>(529,774,473)</u>
Cash and cash equivalents at beginning of the period		<u>2,502,691,232</u>	<u>2,562,420,467</u>
Cash and cash equivalents at end of the period		<u><u>1,116,700,395</u></u>	<u><u>2,032,645,994</u></u>

The accompanying notes an integral part of these financial statements

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

1 Basis of preparation

The unaudited interim financial report of the Company has been prepared in accordance with Hong Kong Accounting Standard (HKAS) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the 2025 annual financial statements. The interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRSs.

The interim financial report is unaudited and is not reviewed by the auditor.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

2 Changes in accounting policies

The Company has applied the following amendments to HKFRSs issued by the HKICPA to this interim financial report for the current accounting period:

- Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity
- Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures - Amendments to the classification and measurement of financial instruments
- Annual improvements to HKFRSs Accounting Standards – Volume 11

The Company has not applied any new standard or interpretation that is not yet effective for the current accounting period. Directors concluded that the impacts of the adoption of the amended HKFRSs do not have a material impact on these financial statements.

3 Property and equipment

	<i>Furniture</i> HK\$	<i>Leasehold improvement</i> HK\$	<i>Office equipment</i> HK\$	<i>Total</i> HK\$
As at 31 December 2025 (Audited)				
Cost	595,075	1,357,121	3,371,978	5,324,174
Accumulated depreciation	(590,471)	(1,357,121)	(3,361,294)	(5,308,886)
Net book value	4,604	-	10,684	15,288
As at 30 June 2026 (Unaudited)				
Cost	595,075	1,357,121	3,417,906	5,370,102
Accumulated depreciation	(594,013)	(1,357,121)	(3,374,901)	(5,326,035)
Net book value	1,062	-	43,005	44,067

During the six months ended 30 June 2026, the Company has acquired items of property and equipment with a cost of HK\$45,928 (six months ended 30 June 2025: HK\$ Nil).

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韓國投資證券亞洲有限公司

NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

4 Intangible assets

	<i>Trading right</i> HK\$	<i>Computer & software</i> HK\$	<i>Total</i> HK\$
As at 31 December 2025 (Audited)			
Cost	1,000,000	4,368,987	5,368,987
Accumulated amortisation	-	(4,301,829)	(4,301,829)
Net book value	<u>1,000,000</u>	<u>67,158</u>	<u>1,067,158</u>
As at 30 June 2025 (Unaudited)			
Cost	1,000,000	4,368,987	5,368,987
Accumulated amortisation	-	(4,346,601)	(4,346,601)
Net book value	<u>1,000,000</u>	<u>22,386</u>	<u>1,022,386</u>

During the six months ended 30 June 2026, the Company has not acquired any items of intangible assets (six months ended 30 June 2025: HK\$ nil).

5 Leases

(a) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Other properties leased for own use, carried at depreciation cost	<u>6,150,536</u>	<u>8,200,714</u>

The Company has obtained the right-of-use of other properties as its Hong Kong office through tenancy agreements. The leases typically run for an initial period of 3 to 4 years.

The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company is not reasonably certain to exercise the extension options at lease commencement date, the future lease payments during the extension periods are not included in the measurement of lease liabilities.

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NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

5 Leases (continued)

(b) Lease liabilities

	<u>30 June 2026</u> (Unaudited)		<u>31 December 2025</u> (Audited)	
	<i>Present value of the lease payments</i> HK\$	<i>Total lease payments</i> HK\$	<i>Present value of the lease payments</i> HK\$	<i>Total lease payments</i> HK\$
Within 1 year	4,190,478	4,376,064	4,097,564	4,376,064
After 1 year but within 2 years	2,167,350	2,188,032	4,287,091	4,376,064
After 2 years but within 5 years	-	-	-	-
	<u>2,167,350</u>	<u>2,188,032</u>	<u>4,287,091</u>	<u>4,376,064</u>
	<u>6,357,828</u>	<u>6,564,096</u>	<u>8,384,655</u>	<u>8,752,128</u>
Less: Total future interest expenses		(206,268)		(367,473)
Present value of lease liabilities		<u>6,357,828</u>		<u>8,384,655</u>

6 Investment in associate

Associates held by the Company held for capital appreciation are measured at fair value in the financial statements, breakdown as below:

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Clean Energy Transition Fund LP	76,349,741	74,680,935

The following list contains the particulars of the associate, which is unlisted limited partnership whose quoted market price is not available:

<i>Name of associate</i>	<i>Form of business structure</i>	<i>Place of incorporation and business</i>	<i>Particulars of the Fund commitment</i>	<i>Proportion of ownership interest held by the Company</i>	<i>Principal activity</i>
Clean Energy Transition Fund LP	Limited Partnership	Cayman Islands	US\$15,000,000 of US\$28,350,000	52.91%	Investment (Note 1)

Note 1: The investment in Clean Energy Transition Fund LP, a partnership whose investment objective is to invest in clean energy transition companies.

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

7 Financial assets measured at amortised cost

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)		
(a) Financial assets				
Non-current				
Loans	161,687,530	161,521,843		
Less: impairment allowances	(1,610,445)	(1,333,964)		
	<u>160,077,085</u>	<u>160,187,879</u>		
Current				
Accrued interest	1,502,670	1,533,112		
Less: impairment allowances	(15,504)	(15,582)		
	<u>1,487,166</u>	<u>1,517,530</u>		
(b) Provision for costs of debt				
	<i>Stage 1</i> HK\$	<i>Stage 2</i> HK\$	<i>Stage 3</i> HK\$	<i>Total</i> HK\$
At 31 December 2025	<u>(1,349,546)</u>	<u>-</u>	<u>-</u>	<u>(1,349,546)</u>
At 30 June 2026	<u>(1,625,949)</u>	<u>-</u>	<u>-</u>	<u>(1,625,949)</u>

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

8 Statutory deposits

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
The Hong Kong Securities Clearing Company Limited		
- Admission fee deposit	50,000	50,000
- Guarantee fund deposit	787,217	1,524,852
- Mainland security deposit	636,970	426,374
SEHK		
- Fidelity fund and compensation fund deposit	100,000	100,000
- Stamp duty deposit	75,000	75,000
HKFE		
- Reserve fund deposit	8,679,189	12,391,257
- Client deposit	62,374,281	92,535,704
- House deposit	2,031,339	1,987,079
SEOCH		
- Reserve fund deposit	1,500,000	1,613,412
- House deposit	105	8,513,709
	<u>76,234,101</u>	<u>119,217,387</u>

9 Deposits and other assets

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Non-current		
Rental and other deposits	1,497,989	1,400,249
	<u>1,497,989</u>	<u>1,400,249</u>
Current		
Prepayments and other deposits	4,084,966	6,170,416
	<u>4,084,966</u>	<u>6,170,416</u>

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
韓國投資證券亞洲有限公司

NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

10 Amount due from / to broker

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Amount due from broker		
Deposit	4,185,690	289,631
	<u>4,185,690</u>	<u>289,631</u>
Amount due to broker		
Payables arising from the unsettled trade of securities	3,920,882	-
	<u>3,920,882</u>	<u>-</u>

11 Amounts due from immediate holding company

Amount due from immediate holding company represent commission income receivable in accordance with written service agreements. The balances are unsecured, non-interest bearing and repayable on demand.

12 Financial assets and liabilities at fair value through profit or loss

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Financial assets		
Loans	640,290,925	322,554,859
Equity securities	15,294,080	22,727,150
Debt securities	43,375,659	-
Exchange-traded funds	878	33,406
Unlisted investment funds (note a)	587,000,644	685,903,541
Forward contracts (note b)	7,544,823	-
Derivative warrants	65,597,240	35,392,460
	<u>1,359,104,249</u>	<u>1,066,611,416</u>

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
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NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

12 Financial assets and liabilities at fair value through profit or loss (continued)

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Financial liabilities		
Forward contracts (note b)	(2,269)	(3,603,034)
Derivative warrants	(70,358,575)	(43,983,675)
Exchange-traded stock option	-	(113,175)
	<u>(70,360,844)</u>	<u>(47,699,884)</u>

Note a):

The Company held interest in several unlisted investment funds which are limited partnerships. The funds provide the Company with a variety of investment opportunities through managed investment strategies.

The Company concluded that the investment funds in which it invests, but that it does not consolidate, meet the definition of structured entities because the voting rights in the funds are not dominant rights in deciding who controls the funds.

Investments in unlisted investment funds is recorded at the net asset value and adjusted thereafter for the post acquisition change on the Company's share of unlisted investment fund's net assets.

Note b):

During the reporting period, the company has entered into various forward currency contracts to manage its exchange rate exposures on foreign currency assets and liabilities. The total notional amounts of the forward currency contracts hold by the Company as of period end is HK\$278,275,569 (As at 31 December 2025: HK\$284,338,206). Management selected not to adopt hedge accounting for the foreign currencies transactions.

KOREA INVESTMENT AND SECURITIES ASIA LIMITED
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NOTES TO THE INTERIM FINANCIAL REPORTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

13 Cash and cash equivalents

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Bank balances at authorised financial institutions:		
(i) General accounts		
- Cash	93,191,726	85,338,392
- Time deposit with original maturity of 3 months or less	420,441,445	724,070,978
(ii) Segregated accounts	51,588,788	168,709,524
Cash and bank balances	565,221,959	978,118,894
Less: Client's money in segregated trust accounts	(51,588,788)	(168,709,524)
	513,633,171	809,409,370
Deposits at market money funds	603,067,224	1,693,281,862
	<u>1,116,700,395</u>	<u>2,502,691,232</u>

14 Trade and other receivables

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Accounts receivable arising from the ordinary course of business of dealing in securities:		
Clients		
- third parties	596,416	49,844
- intermediate holding company	6,423,351	2,280,795
Clearing house	55,168,496	27,755,871
	62,188,263	30,086,510
Other receivables, deposits and prepayments	4,378,390	7,178,167
	<u>66,566,653</u>	<u>37,264,677</u>

The majority of the Company's account receivables, particularly those arising from the ordinary course of business of dealing and broking, are revolving in nature.

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15 Trade and other payables

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Accounts payable arising from the ordinary course of business of dealing in securities and futures:		
Clients		
- third parties	21,273,945	15,383,410
- intermediate holding company	146,032,344	272,096,298
Clearing house	263,817	631,177
	167,570,106	288,110,885
Commission payable to intermediate holding company	347,359	203,728
	<u>167,917,465</u>	<u>288,314,613</u>

16 Income tax in statement of financial position

	At 30 June 2026 HK\$ (Unaudited)	At 31 December 2025 HK\$ (Audited)
Current tax		
Provision for Hong Kong Profits Tax for the period	-	-
Provisional Profits Tax paid	-	-
Income tax payable	-	-
Non-current		
Provision for Pillar Two income taxes	22,862,708	9,998,792

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17 Fee income

	Six months ended 30 June	
	2026	2025
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Commission income from client referral	26,232,880	8,961,263
Commission income from securities and futures dealing	3,559,238	3,179,025
Commission income from underwriting and placement	209,836	9,713,363
Advisory income	579,962	597,529
	<u>30,581,916</u>	<u>22,451,180</u>

18 Net gains/(losses) on financial assets and financial liabilities at fair value through profit or loss

	Six months ended 30 June	
	2026	2025
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Net loss on unlisted loans	(587,501)	(1,645,617)
Net (loss)/gain on equity securities	(3,591,995)	13,745,820
Net (loss)/gain on exchange traded funds	(4,336)	217,286
Net gain on unlisted funds	10,873,064	16,645,825
Net gain/(loss) on bonds	90,128	(36,523,070)
Net gain/(loss) on derivatives	4,946,832	(32,685,571)
	<u>11,726,192</u>	<u>(40,245,327)</u>

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19 Interest income

	Six months ended 30 June	
	2026	2025
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Interest income calculated using the effective interest method	6,189,551	8,330,621
Interest income from financial assets measured at fair value through profit or loss	12,942,238	28,496,332
	<u>19,131,789</u>	<u>36,826,953</u>
Other interest income from bank and other authorised institutions	<u>7,583,174</u>	<u>17,252,904</u>

20 Taxation

The amount of taxation charged to the statement of comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Current tax expense		
- Hong Kong Profits Tax for the period	-	2,745,736
- Pillar Two income taxes	12,863,916	7,168,771
- Withholding tax	289,640	321,816
	<u>13,153,556</u>	<u>10,236,323</u>
Deferred taxation	-	-
	<u>13,153,556</u>	<u>10,236,323</u>

Under the two-tiered profits tax rates regime, the Hong Kong Profits Tax rate for the first HK\$2 million of assessable profits will be lowered to 8.25% (half of the rate specified in schedule 8 to the Inland Revenue Ordinance) for corporations. Assessable profits above HK\$2 million will continue to be subject to the rate of 16.5% for corporations.

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20 Taxation (Continued)

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules (“Pillar Two model rules”) published by the Organisation for Economic Co-operation and Development.

From 1 January 2025, the Company’s earnings in Hong Kong is subject to the domestic minimum top-up tax that was introduced by Hong Kong with effect from 1 January 2025. Pillar Two income tax expense has been recognised accordingly.

The Company has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and accounted for the tax as current tax when incurred

21 Related party transactions

(a) Commission income from client referral

The Company provides client referral services to Korea Investment & Securities Company Limited (immediate holding company of the Company). Commission income represents the sharing of brokerage commissions received by Korea Investment & Securities Company Limited on the trades mainly in Korean listed investments as entered into by the clients referred by the Company. In accordance with the fully disclosed clearing agreements for the respective clients referred by the Company, the Company earns a certain percentage of the commissions received by Korea Investment & Securities Company Limited on the trades entered into by these clients.

During the six months ended 30 June 2026, an amount of HK\$26,232,880 was earned from Korea Investment & Securities Company Limited (for the first half of 2025: HK\$8,961,263), with receivable of HK\$5,800,673 as at 30 June 2026 (As of 31 December 2025: HK\$1,173,413).

(b) Commission income from acquisition financing

The Company entered into the business cooperation agreement with Korea Investment & Securities Company Limited (immediate holding company of the Company) to conduct business activities related to investment banking business. Korea Investment & Securities Company Limited allocates the Company with appropriate revenue according to the agreement. The Company and Korea Investment & Securities Company Limited cooperated and conducted business activities together in relation to acquisition financing business.

During the six months ended 30 June 2026, no commission was earned from Korea Investment & Securities Company Limited (for the first half of 2025: HK\$ Nil).

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21 Related party transactions (Continued)

(c) Commission income and rebate from securities and futures dealing

The Company is providing securities and futures dealing services to Korea Investment & Securities Company Limited, charges commission income and offers rebates based on the trades.

The commission rebate to Korea Investment & Securities Company Limited amounted to HK\$1,244,268 (for the first half of 2025: HK\$656,111), with a payable of HK\$347,359 (As of 31 December 2025: HK\$203,728).

22 Share capital

Ordinary shares, issued and fully paid:

	Number of shares	Share capital HK\$
At 30 June 2026 (Unaudited)	320,000,000	2,492,848,438
At 31 December 2025 (Audited)	475,000,000	3,700,321,900

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held.

During 2025, the Board of Directors and the sole shareholder resolved to reduce the Company's issued and fully paid share capital from US\$475,000,000 to US\$320,000,000 by way of a repayment of US\$155,000,000 to the sole shareholder. The statutory procedures relating to the capital reduction were completed in 2026, upon which the capital reduction became effective.

23 Commitments

The outstanding capital commitment on the fund investments and on Investment in associate not provided for in the financial statements at 30 June 2026 is approximately HK\$493.8 million (31 December 2025: HK\$390.9 million).

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24 Fair value measurement of financial instruments

The following table presents the fair value of the Company's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The determination of what constitutes "observable" requires significant judgment by the directors. The directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy of the Company's financial assets measured at fair value:

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
At 30 June 2026				
(Unaudited)				
Assets				
<i>Financial assets at fair value through profit or loss</i>				
- Loans	-	-	640,290,925	640,290,925
- Equity securities	15,294,080	-	-	15,294,080
- Debt securities	-	43,375,659	-	43,375,659
- Exchange traded funds	878	-	-	878
- Fund	-	-	587,000,644	587,000,644
- Forward contracts	-	7,544,823	-	7,544,823
- Derivative warrants	65,597,240	-	-	65,597,240
	<u>80,892,198</u>	<u>50,920,482</u>	<u>1,227,291,569</u>	<u>1,359,104,249</u>
Liabilities				
<i>Financial liabilities at fair value through profit or loss</i>				
- Forward contracts	-	(2,269)	-	(2,269)
- Derivative warrants	(70,358,575)	-	-	(70,358,575)
	<u>(70,358,575)</u>	<u>(2,269)</u>	<u>-</u>	<u>(70,360,844)</u>

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24 Fair value measurement of financial instruments (Continued)

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
At 31 December 2025				
(Audited)				
Assets				
<i>Financial assets at fair value through profit or loss</i>				
- Loans	-	-	322,554,859	322,554,859
- Equity securities	22,727,150	-	-	22,727,150
- Exchange traded funds	33,406	-	-	33,406
- Fund	-	-	685,903,541	685,903,541
- Derivative warrants	35,392,460	-	-	35,392,460
	<u>58,153,016</u>	<u>-</u>	<u>1,008,458,400</u>	<u>1,066,611,416</u>
Liabilities				
<i>Financial liabilities at fair value through profit or loss</i>				
- Forward contracts	-	(3,603,034)	-	(3,603,034)
- Exchange traded stock options	(113,175)	-	-	(113,175)
- Derivative warrants	(43,983,675)	-	-	(43,983,675)
	<u>(44,096,850)</u>	<u>(3,603,034)</u>	<u>-</u>	<u>(47,699,884)</u>

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of the unquoted debt securities is determined by discounting the future coupons and principal amount. The discount rate used is derived with reference to debt securities with similar risk profile.

The fair value of the foreign currency forward contracts is the discounted amount that the Company would receive or pay at maturity date, taking into account the current interest rates of the underlying currencies and the creditworthiness of the counterparty.

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24 Fair value measurement of financial instruments (Continued)

Valuation techniques and significant unobservable inputs used in Level 3 fair value measurements

	<i>Fair value at 30 June 2026 HK\$ (Unaudited)</i>	<i>Fair value at 31 December 2025 HK\$ (Audited)</i>	<i>Valuation technique</i>	<i>Unobservable input</i>	<i>Range for unobservable input</i>	<i>Sensitivity to changes in unobservable input</i>
Unlisted investment funds	587,000,644	685,903,541	Net asset value	Liquidity lock-up/ no right of withdrawal	N/A	The estimated fair value would decrease if the liquidity lock-up discount is higher
Unlisted loans	640,290,925	322,554,859	The present value of cash flows discounted	Discount rate	6.55% (2025: 5.83%) p.a.	The estimated fair value would increase if discount rate decrease
Unlisted equity securities	-	-	Asset-based approach	Net asset value	N/A	The estimated fair value would increase if revenue multiple increase
	1,227,291,569	1,008,458,400				

The fund held by the Company is a Level 3 investments which the Company values based on the shareholding percentage of the net asset value of the fund as at period-end date.

The loans held by the Company is a Level 3 investments which the Company values based on the present values of future cash flows, discounted at interest rates based on the government yield curve as at the end of the reporting period plus an adequate constant credit spread, adjusted for the company's own credit risk.

The unlisted equity securities held by the Company is a Level 3 investments, which values based on the revenue multiple.

For period ended 30 June 2026 and 2025, there were no transfers between levels.

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24 Fair value measurement of financial instruments (Continued)

The movements during the period in the balance of these Level 3 investments are as follows:

	<i>Unlisted investment funds HK\$</i>	<i>Unlisted loans HK\$</i>	<i>Unlisted equity securities HK\$</i>	<i>Unlisted convertible notes HK\$</i>	<i>Total HK\$</i>
2026 (Unaudited)					
At 1 January	685,903,541	322,554,859	-	-	1,008,458,400
Additions	3,138,985	467,447,206	-	-	470,586,191
Disposals	(119,032,522)	(155,911,486)	-	-	(274,944,008)
Accrued interests, net	-	3,054,646	-	-	3,054,646
Unrealised gain recognised, net	10,869,328	117,586	-	-	10,986,914
Exchange gain, net	6,121,312	3,028,114	-	-	9,149,426
At 30 June	587,000,644	640,290,925	-	-	1,227,291,569
Total gain for the period	16,990,640	6,200,346	-	-	23,190,986
2025 (Unaudited)					
At 1 January	400,851,255	-	7,765,424	13,898,031	422,514,710
Additions	239,218,175	394,364,047	-	-	633,582,222
Disposals	-	(78,362,710)	-	-	(78,362,710)
Accrued interests, net	-	6,050,090	-	629,014	6,679,104
Unrealised gain recognised, net	16,801,207	-	-	-	16,801,207
Exchange gain, net	17,033,389	4,608,366	84,085	129,142	21,854,982
At 30 June	673,904,026	326,659,793	7,849,509	14,656,187	1,023,069,515
Total gain for the period	33,834,596	10,658,456	84,085	758,156	45,335,293

25 Subsequent event

There have been no matters or circumstances that have arisen since the end of the financial period, which significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the status.

26 Comparative figure

Certain comparative figures have been reclassified to conform to current period's presentation and to provide comparative amounts in respect of items. The revised presentation reflects more appropriately the nature of these items. These reclassifications have neither effect on the reported financial position, results nor cash flows of the Company.