



華富建業國際金融有限公司

QUAM PLUS INTERNATIONAL FINANCIAL LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 952

**FLOURISH
IN THE CHANGING
WORLD**



▶ 2024
Interim Report



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Condensed Consolidated Statement of Profit or Loss

	Notes	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited) (Restated)
Fee and commission income	5	40,859	58,763
Interest income			
— Calculated using the effective interest method	5	42,109	205,800
— Calculated using other method	5	57,773	56,653
Net investment (loss)/gain	5	(1,799)	47,484
Total revenue	5	138,942	368,700
Other (loss)/income, net	6	(14,084)	1,300
Direct costs		(35,052)	(49,477)
Staff costs	7	(81,030)	(81,827)
Depreciation and amortisation	7	(10,167)	(19,213)
Expected credit loss ("ECL") net reversal/ (charges)		45,453	(47,794)
Finance costs			
— Interest on borrowings		(25,318)	(25,187)
— Interest on lease liabilities		(1,241)	(1,814)
Other operating expenses	8	(27,236)	(29,487)
Share of results of associates		21,493	—
Profit before tax	7	11,760	115,201
Tax expense	9	(598)	(3,932)
Net profit attributable to equity holders of the Company		11,162	111,269
		HK cent(s)	HK cent(s)
Earnings per share for net profit attributable to equity holders of the Company			
— Basic	10	0.2	1.8
— Diluted	10	0.2	1.8
Dividend per share	11	—	1.1

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Net profit attributable to equity holders of the Company	11,162	111,269
Other comprehensive loss including reclassification adjustments		
Item that may be reclassified subsequently to profit or loss		
— Exchange loss on translation of financial statements of foreign operations	(755)	(1,237)
Other comprehensive loss including reclassification adjustments and net of tax	(755)	(1,237)
Total comprehensive income attributable to equity holders of the Company	10,407	110,032

Condensed Consolidated Statement of Financial Position

Notes	As at 30 June 2024			As at 31 December 2023			
	Current	Non-current	Total	Current	Non-current	Total	
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)	
ASSETS							
	Cash and cash equivalents	164,475	—	164,475	122,380	—	122,380
	Bank balances held on behalf of clients	905,221	—	905,221	823,120	—	823,120
12	Financial assets held for trading	463,929	36,204	500,133	566,351	38,190	604,541
13	Financial assets not held for trading	135,586	4,210	139,796	135,586	4,210	139,796
14	Loans to margin clients	520,434	—	520,434	547,986	—	547,986
15	Credit loans	332,997	21,003	354,000	422,182	—	422,182
16	Accounts receivable	317,645	—	317,645	302,272	—	302,272
	Prepayments, deposits and other receivables	59,392	—	59,392	48,920	—	48,920
17	Investment properties	—	913,380	913,380	—	913,380	913,380
18	Interests in associates	—	288,452	288,452	—	1,180	1,180
	Goodwill and other intangible assets	—	18,663	18,663	—	17,000	17,000
19	Other assets	—	20,084	20,084	—	21,106	21,106
20	Property and equipment	—	77,272	77,272	—	85,497	85,497
	Deferred tax assets	—	14,652	14,652	—	14,652	14,652
TOTAL ASSETS		2,899,679	1,393,920	4,293,599	2,968,797	1,095,215	4,064,012
LIABILITIES AND EQUITY							
Liabilities							
21	Bank and other borrowings	620,425	178,366	798,791	674,007	—	674,007
22	Accounts payable	1,133,564	—	1,133,564	1,076,880	—	1,076,880
	Contract liabilities	4,578	—	4,578	4,620	—	4,620
	Lease liabilities	11,898	43,436	55,334	12,070	49,445	61,515
	Accruals and other payables	224,560	—	224,560	184,834	—	184,834
	Tax payables	1,098	—	1,098	518	—	518
	Deferred tax liabilities	—	223	223	—	223	223
TOTAL LIABILITIES		1,996,123	222,025	2,218,148	1,952,929	49,668	2,002,597
Equity							
23	Share capital	—	—	20,657	—	—	20,657
	Reserves	—	—	2,054,794	—	—	2,040,758
TOTAL EQUITY				2,075,451			2,061,415
TOTAL LIABILITIES AND EQUITY				4,293,599			4,064,012
<i>Net current assets</i>				<i>903,556</i>			<i>1,015,868</i>

Condensed Consolidated Cash Flow Statement

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited) (Restated)
Cash flows from operating activities		
Profit before tax	11,760	115,201
Adjustments for:		
Amortisation of other intangible assets	787	663
Changes in net assets value attributable to other holders of consolidated investment funds	4,921	(2,639)
Depreciation of property and equipment	9,380	18,550
Dividend income	(3,560)	(5,443)
Finance costs	26,559	27,001
ECL net (reversal)/charges	(45,453)	47,794
Corporate guarantee	(2,717)	—
Loss on modification of credit loans	12,203	—
Interest income	(99,882)	(262,453)
Net losses on disposal of property and equipment	8	1,427
Net realised and unrealised loss/(gain) on financial assets measured at fair value through profit or loss	5,359	(42,041)
Share option expenses	3,629	—
Share of results of associates	(21,493)	—
Operating loss before working capital changes	(98,499)	(101,940)
Increase in other assets	(1,428)	(4,811)
(Increase)/decrease in accounts receivable, prepayments, deposits and other receivables	(16,677)	221,636
Increase in loans to margin clients	(8,309)	(20,126)
(Increase)/decrease in financial assets held for trading	(16,123)	10,292
Decrease in credit loans	20,626	37,226
(Increase)/decrease in bank balances held on behalf of clients	(82,101)	177,976
Increase/(decrease) in accounts payable, contract liabilities, accruals and other payables	54,932	(324,965)

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited) (Restated)
Cash used in operations	(147,579)	(4,712)
Dividend received	3,560	5,443
Interest received	73,191	50,851
Income tax paid, net	(18)	(3,147)
<i>Net cash (used in)/generated from operating activities</i>	(70,846)	48,435
Cash flows from investing activities		
Purchases of other intangible assets	—	(290)
Purchases of property and equipment	(1,203)	(1,144)
<i>Net cash used in investing activities</i>	(1,203)	(1,434)
Cash flows from financing activities		
Capital element of lease rentals paid	(6,182)	(13,962)
Interest element of lease rentals paid	(1,241)	(1,814)
Interest paid for bank and other borrowings	(22,609)	(9,978)
Net proceeds from/(repayment of) bank and other borrowings	129,867	(55,135)
Payments on redemption of shares by other holders of a consolidated investment fund	—	(367)
Proceeds from shares issued to other holders of a consolidated investment fund	15,031	367
<i>Net cash generated from/(used in) financing activities</i>	114,866	(80,889)
Net increase/(decrease) in cash and cash equivalents	42,817	(33,888)
Cash and cash equivalents at the beginning of the period	122,380	195,206
Effect of foreign exchange rate changes on cash and cash equivalents	(722)	(1,810)
Cash and cash equivalents at the end of the period	164,475	159,508

Condensed Consolidated Statement of Changes in Equity

	Attributable to equity holders of the Company											Total HK\$'000 (Unaudited)	
	Share capital HK\$'000 (Unaudited)	Capital			Exchange reserve HK\$'000 (Unaudited)	Investment revaluation reserve HK\$'000 (Unaudited)	Property revaluation reserve HK\$'000 (Unaudited)	Shareholder's contribution HK\$'000 (Unaudited)	Shares held for Share Award Scheme		Share option reserve HK\$'000 (Unaudited)		Accumulated losses HK\$'000 (Unaudited)
		Share premium HK\$'000 (Unaudited)	Share redemption reserve HK\$'000 (Unaudited)	Contributed surplus HK\$'000 (Unaudited)					Award	option			
		HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)					HK\$'000 (Unaudited)	HK\$'000 (Unaudited)			
At 1 January 2024	20,657	117,070	1,019	5,284,412	(7,683)	(18,608)	5,255	1,811	(22,798)	3,864	(3,323,584)	2,061,415	
Share option expense recognised	—	—	—	—	—	—	—	—	—	3,629	—	3,629	
Transactions with equity holders	—	—	—	—	—	—	—	—	—	3,629	—	3,629	
Net profit for the period	—	—	—	—	—	—	—	—	—	—	11,162	11,162	
Other comprehensive income	—	—	—	—	—	—	—	—	—	—	—	—	
— Exchange loss on translation of financial statements of foreign operations	—	—	—	—	(755)	—	—	—	—	—	—	(755)	
Total comprehensive income for the period	—	—	—	—	(755)	—	—	—	—	—	11,162	10,407	
At 30 June 2024	20,657	117,070	1,019	5,284,412	(8,438)	(18,608)	5,255	1,811	(22,798)	7,493	(3,312,422)	2,075,451	

Attributable to equity holders of the Company

	Share capital	Share premium	Capital redemption reserve	Contributed surplus	Exchange reserve	Investment revaluation reserve	Property revaluation reserve	Shareholder's contribution	Shares held for Share Award Scheme	Share option reserve	Accumulated losses	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
At 1 January 2023	20,657	117,070	1,019	5,352,580	(2,259)	(18,608)	5,255	1,811	(22,798)	—	(3,443,121)	2,011,606
Net profit for the period	—	—	—	—	—	—	—	—	—	—	111,269	111,269
Other comprehensive income												
— Exchange loss on translation of financial statements of foreign operations	—	—	—	—	(1,237)	—	—	—	—	—	—	(1,237)
Total comprehensive income for the period	—	—	—	—	(1,237)	—	—	—	—	—	111,269	110,032
At 30 June 2023	20,657	117,070	1,019	5,352,580	(3,496)	(18,608)	5,255	1,811	(22,798)	—	(3,331,852)	2,121,638

1. GENERAL INFORMATION

The Company is a limited liability company incorporated and domiciled in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and, its principal place of business is 5/F and 24/F (Rooms 2401 and 2412), Wing On Centre, 111 Connaught Road Central, Hong Kong. The Company's shares are listed on the Stock Exchange.

The Group is principally engaged in the following activities:

- corporate finance advisory and general advisory services
- fund management, discretionary portfolio management and portfolio management advisory services
- discretionary and non-discretionary dealing services for securities, futures and options, securities placing and underwriting services, margin financing, insurance broking and wealth management services
- money lending services
- financial media services
- investing and trading of various investment products

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2024 (the "Interim Financial Statements") were authorised for issue by the Board on 27 August 2024. The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023.

2. BASIS OF PREPARATION

The Interim Financial Statements have been prepared in accordance with accounting principles generally accepted in Hong Kong and complies with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with applicable requirements of the Listing Rules.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies and methods of computation that have been used in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2023, except for the adoption of amended Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations.

The HKICPA has issued a number of amended HKFRSs that are first effective for the current accounting period of the Group. The adoption of these amended HKFRSs does not have significant impact on the Group's Interim Financial Statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Change in presentation and classification of certain revenue items

During the preparation of the Interim Financial Statements of the Group for the period ended 30 June 2024, the management has identified certain adjustments relating to the interest income on the credit-impaired loans and the ECL allowance.

In order to present overdue interest on those credit-impaired loans, the management has made adjustments to increase the interest revenue on certain credit-impaired loans and the corresponding impact has been adjusted on the ECL allowance accordingly for the previous period. Given that the aforesaid adjustments result in the recognition of interest income calculated using the effective interest method and ECL by same amount, no impact on net profit to the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of financial position as well as net cash flow. The reclassification has been made for the comparative period ended 30 June 2023.



3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Change in presentation and classification of certain revenue items (Continued)

The effects of the change in presentation in the condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2023 is set out below:

Six months ended 30 June 2023 (Unaudited):

	As previously reported HK\$'000	Reclassification HK\$'000	As restated HK\$'000
Interest income			
— Calculated using the effective interest method	174,986	30,814	205,800
Total revenue	337,886	30,814	368,700
ECL net charges	(16,980)	(30,814)	(47,794)

The reclassification has no effect on the profit for the six months ended 30 June 2023 and hence on the earnings per share figures presented in the condensed consolidated statement of profit or loss.

The effects of the change in presentation in the condensed consolidated statement of cash flows for the six months ended 30 June 2023 is set out below:

Six months ended 30 June 2023 (Unaudited):

	As previously reported HK\$'000	Reclassification HK\$'000	As restated HK\$'000
Cash flows from operating activities			
ECL net charges	16,980	30,814	47,794
Interest income	(231,639)	(30,814)	(262,453)

4. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major service lines.

The Group has identified the following reportable segments:

- (a) the corporate finance segment engages in securities placing and underwriting services, corporate finance advisory and general advisory services;
- (b) the asset management segment engages in fund management, discretionary portfolio management and portfolio management advisory services;
- (c) the brokerage segment engages in discretionary and non-discretionary dealing services for securities, futures and options, margin financing, insurance broking and wealth management services;
- (d) the interest income segment engages in money lending services and interest income arising from debt instruments measured at amortised cost;
- (e) the investments segment engages in investing and trading of various investment products; and
- (f) the others segment represents financial media services and other insignificant operating segments.



4. SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2024 (Unaudited)

	Corporate finance HK\$'000	Asset management HK\$'000	Brokerage HK\$'000	Interest income HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
Reportable segment revenue							
Fee and commission income	3,970	2,702	30,192	—	—	3,995	40,859
Interest income	—	—	74,972	24,910	—	—	99,882
Net investment loss	—	—	—	—	(1,799)	—	(1,799)
Segment revenue from external customers	3,970	2,702	105,164	24,910	(1,799)	3,995	138,942
Inter-segment revenue	600	3,824	175	—	—	267	4,866
Reportable segment revenue	4,570	6,526	105,339	24,910	(1,799)	4,262	143,808
Fee and commission income by timing of revenue recognition:							
Point in time	1,223	746	30,192	—	—	1,510	33,671
Over time	2,747	1,956	—	—	—	2,485	7,188
Fee and commission income	3,970	2,702	30,192	—	—	3,995	40,859
Reportable segment result	(6,107)	(1,601)	22,404	20,785	(39,270)	(3,662)	(7,451)

4. SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2023 (Unaudited) (Restated)

	Corporate finance HK\$'000	Asset management HK\$'000	Brokerage HK\$'000	Interest income HK\$'000 (Restated)	Investments HK\$'000	Others HK\$'000	Total HK\$'000 (Restated)
Reportable segment revenue							
Fee and commission income	9,157	5,184	41,053	—	—	3,369	58,763
Interest income	—	—	69,792	192,661	—	—	262,453
Net investment gain	—	—	—	—	47,484	—	47,484
Segment revenue from external customers	9,157	5,184	110,845	192,661	47,484	3,369	368,700
Inter-segment revenue	3,750	944	—	—	—	348	5,042
Reportable segment revenue	12,907	6,128	110,845	192,661	47,484	3,717	373,742
Fee and commission income by timing of revenue recognition:							
Point in time	383	—	41,053	—	—	872	42,308
Over time	8,774	5,184	—	—	—	2,497	16,455
Fee and commission income	9,157	5,184	41,053	—	—	3,369	58,763
Reportable segment result	(5,925)	(1,889)	16,760	96,492	15,075	(3,123)	117,390

4. SEGMENT INFORMATION (CONTINUED)

The total of the Group's reportable segment result is reconciled to the Group's profit before tax as follows:

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Reportable segment result	(7,451)	117,390
Share of results of associates	21,493	—
Unallocated corporate expenses	(2,282)	(2,189)
Profit before tax	11,760	115,201

Geographical information

The Group's operations are substantially located in Hong Kong and substantiating all assets of the Group are located in Hong Kong, except for investment properties which are located in US. Therefore, no detailed analysis of geographical information is required.

The Group's customers include the following with whom transactions have exceeded 10% of the Groups' revenue (excluding net investment (loss)/gain):

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited) (Restated)
Former connected parties which included the subsidiaries of Tohigh Holdings Co., Ltd., Oceanwide Holdings Co., Ltd., China Oceanwide Holdings Limited and Minyun Limited [^]	30,485	162,589

[^] Revenue from these former connected parties, which are under common control of our former ultimate beneficial owner, is attributable to interest income segment, asset management segment and brokerage segment during the six months ended 30 June 2024.

5. REVENUE

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited) (Restated)
Corporate finance business		
<i>Fee and commission income:</i>		
— Placing and underwriting commission income	1,223	383
— Financial and compliance advisory services fee income	2,747	8,774
	3,970	9,157
Asset management business		
<i>Fee and commission income:</i>		
— Management fee, performance fee and service fee income	2,702	5,184
Brokerage business		
<i>Fee and commission income:</i>		
— Commission on dealings in securities		
— Hong Kong securities	8,464	11,626
— Other than Hong Kong securities	3,059	878
— Commission on dealings in futures and options contracts	13,070	21,567
— Handling, custodian and other service fee income	5,599	6,982
	30,192	41,053
Interest income business		
<i>Interest income calculated using the effective interest method:</i>		
— Interest income from credit loans and bonds	23,445	191,614
— Interest income from cash clients receivables	2,273	1,774
— Interest income from bank deposits held on behalf of clients	13,590	11,021
— Interest income from house money bank deposits and others	2,801	1,391
<i>Interest income calculated using other method:</i>		
— Interest income from loans to margin clients	56,030	55,164
— Interest income from others	1,743	1,489
	99,882	262,453
Investments and others business		
<i>Fee and commission income:</i>		
— Financial media service fee income	3,995	3,369
<i>Net investment (loss)/gain:</i>		
— Net realised and unrealised (loss)/gain on financial assets measured at fair value through profit or loss	(5,359)	42,041
— Dividend income from financial assets measured at fair value through profit or loss	3,560	5,443
	2,196	50,853
Total revenue	138,942	368,700

6. OTHER (LOSS)/INCOME, NET

	Note	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Changes in net asset value attributable to other holders of consolidated investment funds		(4,921)	2,639
Exchange gain/(loss), net		315	(1,517)
Corporate guarantee		2,717	—
Loss on modification of credit loans	(a)	(12,203)	—
Sundry income		8	178
		(14,084)	1,300

Note:

- (a) During six months ended 30 June 2024, certain debtors agreed to modify terms of the credit loans including maturity date and settlement schedule. It constitutes substantial modification of financial assets under HKFRS 9 which results in loss on modification of approximately HK\$12 million (2023: Nil) being recognised to condensed consolidated statement of profit or loss.

7. PROFIT BEFORE TAX

	Note	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Profit before tax is arrived at after charging:			
Staff costs			
— Fees, salaries, allowances, bonuses and benefits in kind		74,634	79,395
— Employee sales commission		30	197
— Retirement benefits scheme contributions		2,041	2,075
— Other staff benefits		696	160
— Share-based compensation expenses — share option scheme		3,629	—
		81,030	81,827
Depreciation and amortisation			
— Other intangible assets		787	663
— Property and equipment	20	9,380	18,550
		10,167	19,213

8. OTHER OPERATING EXPENSES

	Note	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Advertising and promotion expenses		756	524
Auditor's remuneration		1,232	1,225
Bank charges		620	610
Consultancy fee		1,622	1,647
Entertainments		822	1,105
General office expenses		3,266	2,979
Insurance		2,670	1,310
Legal and professional fee	(a)	5,585	9,067
Office reinstatement and relocation cost		266	2,247
Property tax		3,046	—
Repairs and maintenance		2,070	2,173
Short-term leases, rates and building management fee		1,567	3,352
Travelling and transportation expenses		1,188	990
Others		2,526	2,258
		27,236	29,487

Note:

- (a) During six months ended 30 June 2023, total legal and professional fee of approximately HK\$9.1 million mainly represented approximately HK\$5.7 million spent on one-off corporate transactions' various professional fee.

9. TAX EXPENSE

The provision for Hong Kong Profits Tax is calculated at 16.5% (2023: 16.5%) of the estimated assessable profits for the six months ended 30 June 2024, except for a subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rate regime.

9. TAX EXPENSE (CONTINUED)

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2023.

Taxation for subsidiaries operating in other jurisdictions is charged at the appropriate current rates of taxation ruling in the relevant jurisdictions.

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Current tax — Hong Kong Profits Tax		
— Current period	598	8,855
Deferred tax credit	—	(4,923)
Total tax expense	598	3,932

10. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to equity holders of the Company is based on the followings:

(a) Basic earnings per share

Profit attributable to equity holders of the Company

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
For purpose of calculating basic earnings per share	11,162	111,269



10. EARNINGS PER SHARE (CONTINUED)

(a) Basic earnings per share (Continued)

Weighted average number of ordinary shares in issue less shares held for Share Award Scheme

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
For purpose of calculating basic earnings per share	6,145,877,218	6,145,877,218

(b) Diluted earnings per share

Profit attributable to equity holders of the Company

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
For purpose of calculating diluted earnings per share	11,162	111,269

Weighted average number of ordinary shares in issue less shares held for Share Award Scheme

	Six months ended 30 June 2024 (Unaudited)	Six months ended 30 June 2023 (Unaudited)
For purpose of calculating basic earnings per share	6,145,877,218	6,145,877,218
Effect of share options	1,883,445	—
For purpose of calculating diluted earnings per share	6,147,760,663	6,145,877,218

Note: Diluted earnings per share were same as the basis earnings per shares for the six months ended 30 June 2023 as there was no potential dilutive ordinary shares in issue.

11. DIVIDENDS

Dividends payable to equity holders of the Company attributable to the interim period:

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Special dividend declared and paid after the 2023 interim period of HK1.1 cents per ordinary share	—	68,168

The special dividend has not been recognised as a liability as at 30 June 2023.

The Board has resolved not to declare an interim dividend in respect of the six months ended 30 June 2024.

12. FINANCIAL ASSETS HELD FOR TRADING

The financial assets held for trading comprise listed equity securities, unlisted equity securities and private equity funds.



13. FINANCIAL ASSETS NOT HELD FOR TRADING

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Financial assets measured at amortised cost		
Unlisted debt securities	1,065,024	1,017,753
Less: ECL provisions	(929,438)	(882,167)
	135,586	135,586
Financial assets measured at fair value through other comprehensive income		
Unlisted equity securities	4,210	4,210
	139,796	139,796
Analysis of the net amount into current and non-current portions:		
Current	135,586	135,586
Non-current	4,210	4,210
	139,796	139,796

14. LOANS TO MARGIN CLIENTS

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Loans to margin clients		
— Measured at fair value through profit or loss	520,434	547,986

14. LOANS TO MARGIN CLIENTS (CONTINUED)

Note:

Margin clients are required to pledge securities collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them is determined based on a comprehensive analysis including but not limited to loan-to-market and loan-to-marginable value ratios ("lending ratios"), concentration risk, illiquid collaterals and overall availability of funds. The Group exercises continuous monitoring on outstanding margin loans to see if the actual lending ratios have exceeded the pre-determined levels as a credit risk control mechanism. Any excess in the lending ratios will trigger a margin call where the clients have to make good the shortfall. As at 30 June 2024, the market value of securities pledged by margin clients to the Group as collateral was approximately HK\$5,202 million (31 December 2023: approximately HK\$5,833 million) and the Group is permitted to sell collaterals provided by clients if they fail to fulfil margin calls. Loans to margin clients are repayable on demand and bear interest at commercial rates (normally at Hong Kong Dollar Prime Rate plus a spread). As loans to margin clients are measured at fair value through profit or loss, the carrying amounts of the loans, counted on client-by-client basis, would be marked down to the market value of the clients' collaterals.

15. CREDIT LOANS

	Notes	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Credit loans, gross amount			
— Unsecured		4,021,751	3,854,279
— Secured	(b), (c)	502,588	558,615
		4,524,339	4,412,894
Less: ECL provisions		(4,170,339)	(3,990,712)
	(a)	354,000	422,182
Analysis of the net amount into current and non-current portions:			
Current		332,997	422,182
Non-current		21,003	—
		354,000	422,182



15. CREDIT LOANS (CONTINUED)

Notes:

- (a) The credit loans bear interest at fixed rates ranging from 2.5% to 12% (31 December 2023: 2.5% to 12%) per annum.
- (b) As at 30 June 2024 and 31 December 2023, the collaterals held by the Group for the secured credit loans mainly include shares of listed and private companies and assets of private companies.
- (c) As at 30 June 2024, HK\$2,191,000 (31 December 2023: HK\$2,135,000) was reverse repurchase agreements on bonds.

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Gross amount	2,191	2,165
Less: ECL provisions	—	(30)
	2,191	2,135

Reverse repurchase agreements are transactions in which the external investors sell a security to the Group and simultaneously agree to repurchase it (or an asset that is substantially the same) at the agreed date and price. The repurchase prices are fixed and the Group is not exposed to substantially all the credit risks, market risks and rewards of those securities bought. These securities are not recognised in condensed consolidated financial statements but regarded as "collateral" because the external investors retain substantially all the risks and rewards of these securities.

As at 30 June 2024, the fair value of the collaterals was HK\$4,485,000 (31 December 2023: HK\$4,129,000).

16. ACCOUNTS RECEIVABLE

	Notes	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
<i>Accounts receivable from dealings in securities, futures and options contracts</i>			
— Brokers and clearing houses	(a)	285,573	272,879
— Cash clients	(a)	30,061	29,954
<i>Accounts receivable from asset management, corporate finance and other businesses</i>			
— Clients	(a)	26,012	21,806
		341,646	324,639
Less: ECL provisions		(24,001)	(22,367)
Accounts receivable, net	(b)	317,645	302,272

Notes:

- (a) Amounts due from brokers, clearing houses and cash clients for the dealings in securities are required to be settled on the settlement dates of their respective transactions (normally one to three business days after the respective trade dates). Amounts due from brokers and clearing houses for the dealings in futures and options contracts are repayable on demand (except for the required margin deposits for the trading of futures and options contracts). There are no credit periods granted to clients for its asset management, corporate finance and other businesses. The amounts due from cash clients after the settlement dates bear interest at commercial rates (normally at Hong Kong Dollar Prime Rate plus a higher spread than that of margin client).



16. ACCOUNTS RECEIVABLE (CONTINUED)

Notes: (Continued)

(b) Ageing analysis of accounts receivable based on due date and net of ECL provisions is as follows:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Within 30 days	293,188	278,230
31–90 days	2,167	1,036
Over 90 days	22,290	23,006
Accounts receivable, net	317,645	302,272

17. INVESTMENT PROPERTIES

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Carrying amount	913,380	913,380

All of the Group's investment properties are held in US ("4 Residential US Properties").

All of the Group's US property interests are held for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

No fair value change on the investment properties was recognised in profit or loss for the six months ended 30 June 2024 (2023: Nil). The direct operating expenses arising from investment properties that do not generate rental income were HK\$5,474,000 (2023: Nil).

17. INVESTMENT PROPERTIES (CONTINUED)

Fair value of investment property measured at fair value

The following table presents the fair value of the Group's investment properties 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.

	Fair value measurements categorised into			
	Fair value HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
At 30 June 2024 (Unaudited)				
Recurring fair value measurement				
— 4 Residential US Properties	913,380	—	—	913,380
At 31 December 2023 (Audited)				
Recurring fair value measurement				
— 4 Residential US Properties	913,380	—	—	913,380

There have been no transfers between levels 1, 2 or transfers into or out of level 3 during the six months ended 30 June 2024. The Group's policy is to recognise transfers between levels of fair value hierarchy at the date of the event or change in circumstances that caused the transfer.



17. INVESTMENT PROPERTIES (CONTINUED)

Fair value of investment property measured at fair value (Continued)

The fair value as at 30 June 2024 has been determined using direct comparison method as the valuation technique. No change in valuation techniques used as compared with those used at 31 December 2023. Directors considered no material changes in the fair value of the investment properties for the six months ended 30 June 2024. The fair value as at 31 December 2023 has been arrived at on the basis of a valuation carried out by independent qualified professional valuers.

The movements during the period in the balance of these Level 3 fair value measurements are as follows:

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Investment properties		
— residential properties in the US		
At the beginning of the period and the end of the period	913,380	—

All the fair value adjustment of investment properties is recognised in profit or loss.

18. INTERESTS IN ASSOCIATES

Upon the completion of loan assignment and disposal of equity securities, the Group increased its investment in Fortune Origin Group Limited ("Fortune Origin") from 15%* to 21%* during the six months ended 30 June 2024. As consequence, the Group gained significant influence over Fortune Origin and investment in Fortune Origin was reclassified from a financial assets measured at fair value through profit or loss to interest in associate. The details of acquisition are set out in the Company's announcements dated on 18 December 2023, 10 January 2024 and 30 May 2024.

* rounded to the nearest one percent

19. OTHER ASSETS

Other assets mainly comprise long-term deposits for property and equipment, rental deposits and deposits with the Stock Exchange and clearing houses.

20. PROPERTY AND EQUIPMENT

	Property and equipment					Total HK\$'000 (Unaudited)
	Land and Buildings HK\$'000 (Unaudited)	Right-of-use assets HK\$'000 (Unaudited)	Leasehold improvements HK\$'000 (Unaudited)	Furniture, fixtures and equipment HK\$'000 (Unaudited)	Motor vehicle HK\$'000 (Unaudited)	
Six months ended 30 June 2024						
Opening net carrying amount	8,800	57,612	13,896	5,179	10	85,497
Additions	—	—	1,007	196	—	1,203
Disposal	—	—	—	(8)	—	(8)
Depreciation	(133)	(6,351)	(1,469)	(1,417)	(10)	(9,380)
Translation differences	—	(24)	(8)	(8)	—	(40)
Closing net carrying amount	8,667	51,237	13,426	3,942	—	77,272
Six months ended 30 June 2023						
Opening net carrying amount	9,067	48,792	2,424	8,122	131	68,536
Additions	—	32,893	—	1,144	—	34,037
Disposal	—	—	—	(1,427)	—	(1,427)
Depreciation	(133)	(17,544)	(202)	(611)	(60)	(18,550)
Translation differences	—	(77)	(13)	(21)	—	(111)
Closing net carrying amount	8,934	64,064	2,209	7,207	71	82,485

21. BANK AND OTHER BORROWINGS

	Notes	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Bank loans			
— Secured	(a), (b), (c)	539,739	453,358
Other borrowings			
— Secured	(d)	96,252	96,253
— Unsecured	(e)	162,800	124,396
		798,791	674,007
Analysis of the net amount into current and non-current portions:			
Current		620,425	674,007
Non-current		178,366	—
		798,791	674,007

Notes:

- (a) Bank loans of HK\$139,660,000 (31 December 2023: HK\$205,468,000) were guaranteed by the Company and secured by securities collateral pledged to the Group by margin clients with market value of HK\$486,395,000 (31 December 2023: HK\$514,225,000), and bear interest at floating rates ranging from 5.63% to 6.41% (31 December 2023: 6.13% to 7.12%) per annum. Specific standing authority have been obtained by the Group from the margin clients for such use over the clients' securities.
- (b) Bank loans of HK\$219,011,000 (31 December 2023: HK\$247,890,000) were secured by unlisted equity securities, private equity fund, investment properties and bank deposits with total carrying amounts of HK\$417,977,000 as at 30 June 2024 (31 December 2023: HK\$417,469,000). These bank loans were also guaranteed by a wholly-owned subsidiary of the Company and bear interest at a floating rate of HIBOR +3% (31 December 2023: HIBOR +3%) per annum.
- (c) Bank loans of HK\$181,068,000 (31 December 2023: Nil) were secured by investment properties with carrying amounts of HK\$785,460,000 as at 30 June 2024 (31 December 2023: Nil). The bank loans bear interest at a fixed rate of 7.25% (31 December 2023: Nil) per annum.

21. BANK AND OTHER BORROWINGS (CONTINUED)

Notes: (Continued)

- (d) Several notes of HK\$96,252,000 (31 December 2023: HK\$96,253,000) were secured by listed equity securities and other receivables with total carrying amounts of HK\$96,252,000 as at 30 June 2024 (31 December 2023: HK\$96,253,000) and bear interest at fixed rate of 5% (31 December 2023: 5%) per annum.
- (e) As at 30 June 2024, several notes of HK\$162,800,000 (31 December 2023: HK\$124,396,000) bear interest at fixed rates ranging from 7.5% to 9.5% (31 December 2023: 8.8% to 9.5%) per annum.

22. ACCOUNTS PAYABLE

Notes	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
<i>Accounts payable from dealings in securities, futures and options contracts</i>		
— Brokers and clearing houses (a)	6,417	10,124
— Cash and margin clients (a)	1,114,767	1,064,873
<i>Accounts payable from other businesses</i>		
— Clients	12,380	1,883
(b)	1,133,564	1,076,880

Notes:

- (a) Accounts payable to brokers, clearing houses and cash clients are repayable on demand up to the settlement dates of their respective transactions (normally one to three business days after the respective trade dates) except for the required margin deposits received from clients for their trading of futures and options contracts. Accounts payable to margin clients are repayable on demand.
- (b) No ageing analysis in respect of accounts payable is disclosed as, in the opinion of the Board, the ageing analysis does not give additional value in view of the business nature.

23. SHARE CAPITAL



	Number of ordinary shares of HK one third of one cent each (Unaudited)	HK\$'000 (Unaudited)
<i>Authorised</i>		
At 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024	30,000,000,000	100,000
<i>Issued and fully paid</i>		
At 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024	6,197,049,220	20,657

All issued shares rank pari passu in all respects including all rights as to dividends, voting and return of capital.

24. COMMITMENTS

Capital commitments

At the reporting date, the Group had the following capital commitments which were contracted, but not provided for:

	As at 30 June 2024 HK\$'000 (Unaudited)	As at 31 December 2023 HK\$'000 (Audited)
Capital contributions payable to private equity funds	2,280	2,280
Property and equipment	604	1,035
	2,884	3,315

25. RELATED PARTY TRANSACTIONS

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Part I. Continuing connected transactions from brokerage and interest income business (note (a))		
Directors of the Company (note (b))		
— Commission income from securities and futures dealings	24	21
— Interest income from margin financing	—	294
Director of subsidiaries, is also a key management personnel (note (b))		
— Commission income from securities and future dealings	11	5
— Interest income from margin financing	48	23
Director of subsidiaries		
— Commission income from securities and futures dealings	1	—
— Interest income from margin financing	1	25
	85	368

25. RELATED PARTY TRANSACTIONS (CONTINUED)

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited) (Restated)
Part II. Other related party transactions		
Related company — company in which Mr. LU Zhiqiang, the former ultimate beneficial owner of the Company, is also a director of its parent company (note (c))		
— Interest income (note (d))	—	21
Fellow subsidiaries (note (c))		
— Advertising income	—	10
— Advisory fee income	—	1
— Asset management fee income	—	306
— Interest income from financial assistance	—	113,444
— Interest income from margin financing	—	112
Director of the Company		
— Asset management fee income	—	19
Associate		
— Interest income from margin financing	247	—
	247	113,913
Related company — company in which Mr. LU Zhiqiang, the former ultimate beneficial owner of the Company, is also a director of its parent company (note (c))		
— Custodian fee	—	54
— Interest expense (note (e))	—	2,278
Intermediate holding company (note (c))		
— Rental expenses	—	40
Fellow subsidiaries (note (c))		
— Advisory fee expenses	—	147
— Insurance expense	—	113
— Interest expense from financial assistance	—	510
— Rental expenses	—	28
Key management personnel		
— Interest expense	265	183
Associate		
— Articles fee	—	2
— Consultancy fee	275	300
— Rental expenses	270	135
	810	3,790

25. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes:

- (a) The income from connected transactions with directors of the Company and the subsidiaries and their close family members was based on the pricing stated in the letters stipulating the applicable service fees and interest rate for dealing services. Details of the annual caps of the connected dealings services and connected margin loans were set out in the Company's circulars dated 25 November 2021. These transactions have been approved in the special general meeting held on 17 December 2021.
- (b) The transactions are also related party transactions under HKAS 24 (Revised) — Related Party Disclosures.
- (c) Upon the completion of sale and purchase of certain Company's shares took place on 3 February 2023, these parties have become former related parties.
- (d) As at 30 June 2023, Interest income of HK\$21,000 received/receivable from a related company was in connection with demand and time deposits maintained with it during the period. The deposits was unsecured, interest-bearing at relevant deposit rates and were repayable on demand.
- (e) As at 30 June 2023, Interest expense of HK\$2,278,000 paid/payable to a related company was in connection with the loans granted by it during the period.

Except as disclosed above, no other transaction, arrangement or contracts of significance in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, were entered into or subsisted at any time during financial period.

Compensation of key management personnel

Included in staff costs are key management personnel compensation and comprises the following categories:

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Short-term employee benefits	13,583	10,912
Post-employment benefits	42	33
Share-based compensation expenses — share option scheme	2,483	—
	16,108	10,945



26. FAIR VALUE MEASUREMENT

For financial reporting purpose, fair value measurements are categorised into three levels based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety. The fair value hierarchy has the following levels:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets and 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

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses its own internal expertise or engages third party qualified valuers to perform the valuation. Valuation is prepared at each interim and annual reporting date, and is reviewed and approved by the chief financial officer. Discussion of the results with the chief financial officer and the Audit Committee is held twice a year, to coincide with the reporting dates.

26. FAIR VALUE MEASUREMENT (CONTINUED)

a. Fair value of financial instruments measured at fair value

The following table presents financial instruments measured at fair value on a recurring basis in the condensed consolidated statement of financial position according to the fair value hierarchy:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
At 30 June 2024 (Unaudited)				
Financial assets held for trading				
— Listed equity securities (note (i))	257,423	3	—	257,426
— Unlisted equity securities (note (ii))	—	—	178,061	178,061
— Private equity funds (note (iii))	—	—	64,646	64,646
Loans to margin clients (note (iv))	—	520,434	—	520,434
Financial assets not held for trading				
— Unlisted equity securities (note (v))	—	—	4,210	4,210
	257,423	520,437	246,917	1,024,777
Financial liabilities measured at fair value through profit or loss				
— Accruals and other payables (note (vi))	—	38,011	60,783	98,794
— Bank and other borrowings	96,252	—	—	96,252
	96,252	38,011	60,783	195,046
At 31 December 2023 (Audited)				
Financial assets held for trading				
— Listed equity securities (note (i))	222,377	3	—	222,380
— Unlisted equity securities (note (ii))	—	—	314,519	314,519
— Private equity funds (note (iii))	—	—	67,642	67,642
Loans to margin clients (note (iv))	—	547,986	—	547,986
Financial assets not held for trading				
— Unlisted equity securities (note (v))	—	—	4,210	4,210
	222,377	547,989	386,371	1,156,737
Financial liabilities measured at fair value through profit or loss				
— Accruals and other payables (note (vi))	—	18,060	63,500	81,560
— Bank and other borrowings	96,253	—	—	96,253
	96,253	18,060	63,500	177,813



26. FAIR VALUE MEASUREMENT (CONTINUED)

a. Fair value of financial instruments measured at fair value (Continued)

There were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 during the period/year ended 30 June 2024 and 31 December 2023. The Group's policy is to recognise transfers between levels of fair value hierarchy at the date of the event or change in circumstances that caused the transfer.

Notes:

- (i) The fair value of the listed equity securities has been determined by reference to their quoted bid prices at the reporting date and has been translated using the spot foreign currency rates at the end of the reporting period where appropriate.
- (ii) The fair value of unlisted equity securities in Level 3 of HK\$150,134,000 (31 December 2023: HK\$163,878,000) has been determined by option pricing model under equity allocation approach. The option pricing model under equity allocation approach is based on main inputs, such as 100% equity value of target company through a backsolve analysis, exercise values, expected volatility of 42.2% (31 December 2023: 42.2%), risk free rate of 3.9% (31 December 2023: 3.9%) and expected time to expiration. The fair value of unlisted equity securities of HK\$27,927,000 (31 December 2023: Nil) has been determined with reference to the recent transaction with liquidity discount of 25%. The remaining fair value of unlisted equity securities as at 31 December 2023 of HK\$150,641,000 had been determined with reference to the unadjusted net asset value of the investment.
- (iii) The fair value of the private equity funds in Level 3 of HK\$36,204,000 (31 December 2023: HK\$38,190,000) has been determined with reference to the unadjusted net asset value of the funds. The fair value of the private equity funds in Level 3 of HK\$26,811,000 (31 December 2023: HK\$27,820,000) has been determined with reference to the unadjusted net asset value of the funds (31 December 2023: recent transaction with liquidity discount of 5%). The fair value of the remaining private equity funds of HK\$1,631,000 (31 December 2023: HK\$1,632,000) has been determined with reference to the recent transaction.
- (iv) The fair value of the margin loans has been determined with reference to the market value of securities pledged by margin clients at the reporting date.
- (v) The fair value of the unlisted equity security of HK\$4,210,000 (31 December 2023: HK\$4,210,000) has been determined by using the adjusted net asset value with 10% discount.
- (vi) The financial liabilities of HK\$38,011,000 (31 December 2023: HK\$18,060,000) represent net asset value attributable to third party interest of the funds. The fair value has been determined by reference to the net asset value of the funds. The underlying investments held by the funds are all listed with unadjusted quoted prices in active markets, with immaterial assets and liabilities with unobservable prices. The Group has agreed to provide corporate guarantee for any shortfall from the guaranteed amounts. The fair value of the corporate guarantee of HK\$60,783,000 as at 30 June 2024 (31 December 2023: HK\$63,500,000) has been determined with reference to the adjusted net asset value of the corresponding fund.

26. FAIR VALUE MEASUREMENT (CONTINUED)

a. Fair value of financial instruments measured at fair value (Continued)

Notes: (Continued)

- (vii) The movement of the financial instruments measured at fair value based on significant unobservable inputs (i.e. Level 3) is as follows:

	Six months ended 30 June 2024 HK\$'000 (Unaudited)	Six months ended 30 June 2023 HK\$'000 (Unaudited)
Financial assets held for trading		
At the beginning of the period	382,161	347,846
Purchases	54,587	325
Reclassify to interests in associates (note 18)	(207,201)	(6,254)
Net gain recognised in profit or loss	13,160	3,702
	242,707	345,619
Financial assets not held for trading		
At the beginning of the period and the end of the period	4,210	4,210
Total net unrealised (loss)/gain recognised in profit or loss for asset held at the end of reporting period	(10,483)	3,702
Derivative financial instruments		
At the beginning of the period	63,500	85,000
Fair value change in profit or loss	(2,717)	—
At the end of the period	60,783	85,000



26. FAIR VALUE MEASUREMENT (CONTINUED)

b. Fair value of financial instruments measured at amortised cost

The carrying amounts of the Group's financial assets and financial liabilities measured at amortised cost were not materially different from their fair values as at 30 June 2024 and 31 December 2023.

27. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

The settlement arrangement in relation to the credit loan and margin loan to Elion International Investment Limited ("Elion") has been entered with Elion on 9 August 2024. Details of the transaction was set out in the Company's announcement dated 9 August 2024.

Management Discussion and Analysis

MACRO ENVIRONMENT

The year 2024 is a significant election year, with national elections in over 60 countries/regions, impacting more than 4 billion people globally. The US Presidential election on 5 November 2024, is particularly noteworthy.

After the central bank raised interest rates 4 times over 2023, a total of 11 times from March 2022 to July 2023, US Federal Reserve has kept the interest rate unchanged during interim 2024 in line with expectations. Despite market expectation to the contrary, the US Federal Reserve has thus far held off interest rate cut. The market expectation was only one interest rate cut for the remainder of the year until recently where US Federal Reserve Chair Jerome Powell said on 23 August 2024 that he expects the central bank will cut its key interest rate in the near future, which may be a signal of a faster pace in rate reduction.

The first half of 2024 was favourable for US equity market, with the S&P 500 SPX rising by 14.5%, excluding dividends. As investors look to the second half, the focus shifts to second-quarter earnings reports, which will address several uncertainties. Despite strong revisions in forward 12-month earnings-per-share forecasts that continue to drive stock prices up, conservative investors point out that top-down macro reports have largely missed expectations. This suggests potential earnings disappointments and negative guidance. Additionally, stock prices face headwinds due to stretched valuations.

China's economy grew at a slower-than-expected rate of 4.7% in the second quarter of 2024, impacted by a prolonged property downturn and job insecurity, which hindered a fragile recovery. This growth rate, the slowest since first quarter of 2023, fell short of the 5.1% forecast from a Reuters poll and was down from 5.3% in the previous quarter.

HONG KONG STOCK MARKET

In June 2024, Hong Kong stocks continued to experience fluctuations amid ongoing adjustments, with the first three months of 2024 being, a particularly bleak quarter. The HSI ended the first half of 2024 at 17,718.61 from the end of 2023 of 17,047.39. The HSI experienced a low of below 15,000 and a high of over 19,500 in the first half of 2024, representing a large swing of over 4,500 points. Looking ahead, the stock market may continue to be volatile especially given the altered expectation on interest rate.

Notwithstanding favourable policies designed to attract Hong Kong stocks to investment funds, the international situation remains complicated, and the Mainland China faces economic expansion risks, potentially impacting export prospects and the movement of Hong Kong stocks. Key risk factors include the possibility that China's economic recovery and policy easing may not meet expectations, which all in turn challenge the overall trend of the Hong Kong stock market.



The average daily turnover of Hong Kong stock market for the first six months of 2024 was approximately HK\$110.4 billion, with a market capitalisation of approximately HK\$32.1 trillion at the end of June 2024. There were 30 successful IPOs in the first half of 2024 and raised a total of about HK\$13.1 billion, a drop of about 26% period-to-period.

RESULTS AND OVERVIEW

For the six months ended 30 June 2024, the Group recorded profit before tax of approximately HK\$12 million (interim 2023: profit before tax of approximately HK\$115 million). The decrease in the unaudited consolidated profit before tax for the six months ended 30 June 2024 was mainly attributable to the one-off partial settlement of loan balances due from a former connected party which profit was recognised during the previous corresponding accounting period.

The Group's revenue decreased to approximately HK\$139 million in the first half of 2024, representing a decrease of approximately HK\$230 million period-on-period. The revenue from core operating business decreased by about 10% period-on-period to approximately HK\$112 million in the first half of 2024. If we exclude our fair value change on investment in financial assets of approximately HK\$2 million loss (interim 2023: gain of approximately HK\$47 million) which are recorded as part of our revenue, our adjusted revenue would be approximately HK\$141 million (interim 2023: approximately HK\$322 million), representing a decrease of 56% period-on-period. The decrease in our adjusted revenue was mainly due to a large part of the interest income recognised in interim 2023 arising from the partial settlement arrangement entered in interim 2023 in relation to loans due from a former connected party which was a non-recurring event.

BUSINESS REVIEW

The first half of 2024 had not been easy for us given the strong US dollar and high interest rate environment in Hong Kong. However, we persevered and managed to return a profit. During the period, we worked hard to increase the banking facilities for our brokerage business and maintain our relevance in the market. Since the beginning of 2024, we have continued to strengthen our financial position by securing new financing facilities reflecting increased confidence in our Group. The corporate finance business has been impacted by a drop in the number of transactions and delays in the IPO timetables of our transactions under the current state of the market though it has attained an encouraging deal pipeline. We have successfully launched our External Asset Management (EAM) model and with its ensuing distribution capabilities. The current weak economic climate has also allowed us to attract experienced talents in our asset management business. These new recruits have helped the Group to expand our asset under management and broadened product pipelines and services in asset management business. In addition to the above, we have achieved significant progress in the recovery of negotiating various overdue loans, and we have continued to monitor and control our costs.

FINANCIAL REVIEW

The following table summarised the revenue breakdown of the Group's principal businesses. Except for the interest income from brokerage business of approximately HK\$75 million (interim 2023: approximately HK\$70 million), the revenue generated by core operating business decreased compared to interim 2023.

Revenue	Interim	Interim	Interim	Interim	Favourable/ (unfavourable) change
	2024	2024	2023	2023	
	HK\$ million	Proportion	HK\$ million	Proportion	
Corporate finance business	4	3%	9	7%	(56%)
Asset management business	3	3%	5	4%	(40%)
Brokerage business	30	27%	41	33%	(27%)
Interest income from brokerage business	75	67%	70	56%	7%
	105		111		
Total revenue for core operating business	112	100%	125	100%	(10%)
Interest income from non-brokerage business	25		193		(87%)
Financial media service fee income	4		4		0%
Net investment (loss)/gain	(2)		47		(104%)
Total revenue	139		369		(62%)

Corporate Finance Business

The Group's corporate finance business comprises sponsorship for listing, financial advisory, financing consultation service and equity capital market. Revenue from corporate finance business has decreased from approximately HK\$9 million in interim 2023 to approximately HK\$4 million in interim 2024.

Asset Management Business

Revenue from asset management business has decreased from approximately HK\$5 million in interim 2023 to approximately HK\$3 million in interim 2024.



Brokerage Business

Revenue from brokerage business has decreased by 27% from approximately HK\$41 million in interim 2023 to approximately HK\$30 million in interim 2024, mainly due to the decrease in the commission income from global futures products and Hong Kong securities. Commission income from dealing in Hong Kong securities decreased by 33% from approximately HK\$12 million in interim 2023 to approximately HK\$8 million in interim 2024. The average daily turnover of the Hong Kong stock market has dropped by 4% period-on-period.

Interest Income from Brokerage Business

The interest income from brokerage business has increased by 7% from approximately HK\$70 million in interim 2023 to approximately HK\$75 million in interim 2024 mainly due to the increase in interest income from improved treasury management, and the increase in margin loan interest income.

Interest Income from Non-Brokerage Business

The interest income from non-brokerage business has decreased by 87% from approximately HK\$193 million in interim 2023 to approximately HK\$25 million in interim 2024 mainly due to the one-off partial settlement of loan balances due from a former connected party in 2023.

Financial Media Service Fee Income

Financial media service fee income was approximately HK\$4 million in interim 2024 and interim 2023.

Net Investment (Loss)/Gain

The investment loss of approximately HK\$2 million in interim 2024 comprised of mark-to-market loss on margin loans of approximately HK\$36 million (interim 2023: loss of approximately HK\$64 million) (where the collateral market value falls below the outstanding margin loan, counted on client-by-client basis), offset by fair value gain on investments in financial assets of approximately HK\$34 million (interim 2023: gain of approximately HK\$111 million).

Other (Loss)/Income, Net

In interim 2024, other loss was approximately HK\$14 million, which turns around from a gain of approximately HK\$1 million in interim 2023. Other loss mainly comprises of approximately HK\$12 million loss arising through the terms modification on contractual credit loans previously entered between the Group and the relevant counterparty.

Expenses

Direct costs has dropped by 29% from approximately HK\$49 million in interim 2023 to approximately HK\$35 million in interim 2024. The decrease was mainly due to the decrease in commission expense of our brokerage business as a result of reduction in gross commission. Staff costs has decreased by 1% from approximately HK\$82 million in interim 2023 to approximately HK\$81 million in interim 2024 as a result of streamlining of resources.

IMPAIRMENT LOSS

In interim 2024, the Group recognised expected credit loss (“ECL”) net reversal of approximately HK\$45 million (interim 2023: ECL net charges of approximately HK\$48 million) and were mainly arisen from ECL net reversal of approximately HK\$71 million (interim 2023: ECL net charges of approximately HK\$182 million) to credit loans to independent third parties, offset by ECL net charges of approximately HK\$28 million (interim 2023: ECL net reversal of approximately HK\$129 million) to credit loans and bonds of former connected parties.

In the following, the Company listed out the loans with material ECL net reversal/(charges), which with reference to over 1% of total asset value of approximately HK\$4,294 million of the Group as at 30 June 2024 (i.e. over HK\$42 million). The Company consider that such materiality level is appropriate for this purpose. As such, out of total ECL net reversal of approximately HK\$45 million, ECL net reversal of approximately HK\$44 million for credit loan to an independent third party was explained below.

Details of the credit loan to an independent third party with material ECL net reversal in interim 2024

Identity of borrowers	Principal amount HK\$ million	Carrying amount as at	Reversal of	Interest rate	Loans granted date	Tenure	Details of personal guarantee	It's ultimate beneficial owners	Latest status of
		30 June 2024	interim 2024						repayment as at 30 June 2024
	HK\$ million	HK\$ million	HK\$ million						
a1 Corporate Client 1	—	—	44	9.0%	1 Dec 2019	Within 5 years	by an independent third party	Independent third party	Fully settled

No additional loan was granted to above Corporate Client. Reversal of ECL was due to the completion of the loan assignment in interim 2024 in relation to the assignment of the credit loan of the above Corporate Client at a consideration equivalent to the nominal value of the credit loan, which settled by way of allotment and issuance of shares of the assignee. Details of the loan assignment were set out in the Company’s announcement dated 18 December 2023.



(a) *Reasons for the impairment*

The Group adopted the requirements in respect of ECL assessment set forth in HKFRS 9 issued by the HKICPA in determining the impairment loss allowance for its loans.

The Group has taken into account the following factors on the impairment assessment for the outstanding credit loans and unlisted debt securities due from the former connected parties and independent third parties in accordance with the HKFRS 9:

- (i) the probability of default and the likelihood that the borrowers may fail to pay back the loans. The Group will perform due diligence on the financial statements and consider the macro-environment and the latest announcements of the borrowers. The repayment history of the borrowers will also be taken into account;
- (ii) the loss given default and the expected cash shortfall between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. The Group will consider the value of the collaterals pledged for the loans, if any; and
- (iii) forward-looking market data such as gross domestic product will also has impact to the recoverability of the loans.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(b) *Key assumptions and basis in determining the amount of the impairment*

For the purpose of impairment assessment, credit loans and unlisted debt securities of the Company are classified as stage 1, 2 and 3. According to the prevailing accounting standard, stage 1 are loans with no significant increase in credit risk of the financial instrument since their initial recognition. Stage 2 are loans with increase in credit risk of the financial instrument since their initial recognition. Stage 3 loans has significant increase in credit risk of the financial instrument since initial recognition and considered as credit-impaired. Impairment was assessed for each of the loans and the ECL model for internal impairment assessment has taken into account the following: 1) expected life and contractual terms of a financial instrument; 2) market probability of default; 3) market loss given default or discounted recovery rate; and 4) forward-looking market data.

MONEY LENDING

(i) **Group's money lending business and credit risk assessment policy**

The Group's money lending business offers both secured and unsecured loans to borrowers comprising individuals and corporations. The money lending business generates revenue and profit by way of providing loans to earn interest income.

The Group has adopted a credit risk policy to manage its money lending business which includes compliance with all applicable laws and regulations, credit assessment on potential borrower and his/its assets, the credibility of the potential borrower, the necessity in obtaining collaterals, assessment of the use of proceeds and the source of repayment.

The scope of money lending services provided by the money lending business generally includes personal loans, business loans and mezzanine loans. The Group tries to diversify the loan portfolio by providing to different borrowers to lower the concentration risk. We do not have a rigid risk appetite or fixed criteria for loan acceptance and risk assessment are made on a case-by-case basis and typically involves reviewing the financials of borrowers, the borrower's repayment and credit history including any prior insolvency history. Within a loan category, the interest rates, the duration of the loan and repayment terms of the loan varies individually. The determination of the loan terms reflects the perceived risk level after the risk is determined to be within an acceptable and controllable level.

Provision of loans is one of the principal businesses of the Group. Management's discussion on the movements in material loans for renewal of existing loans or newly granting of the loans have been disclosed in the relevant announcement or shareholders circular.

(ii) **Major terms of credit loans granted (including details of the collaterals), size and diversity of clients and concentration of loans on major clients**

To diversify the clients and lower the concentration of loans portfolio, our borrowers included individuals, listed companies and companies from different industries such as securities investment, real estate and consultation service. As at 30 June 2024, the Group has 20 borrowers, of which 15 unlisted corporate borrowers, 2 listed corporate borrowers and 3 individual borrowers.



As at 30 June 2024, the Group has 37 credit loans with principal amounts approximately ranged from HK\$2 million to HK\$446 million with interest rate ranged from 2.5% to 12%. The credit loans portfolio fell with the following bands:

Loan size of principal	Number of credit loans fall into the band
Above HK\$100 million–HK\$500 million	11
Above HK\$50 million–HK\$100 million	7
Above HK\$10 million–HK\$50 million	11
Above HK\$5 million–HK\$10 million	2
Below HK\$5 million	6
	<hr/>
	37

Out of the 37 credit loans, 1 loan was secured by shares of listed and private companies and assets of private companies with personal guarantee (2% of the total principal amount of the Group's credit loan portfolio), 1 loan was secured by shares of private companies with personal guarantee (6% of the total principal amount of the Group's credit loan portfolio), 3 loans were secured by assets of borrowers and unguaranteed (1% of the total principal amount of the Group's credit loan portfolio), 10 unsecured loans with personal or company's guarantee (48% of the total principal amount of the Group's credit loan portfolio) and the remaining 22 loans were unsecured and unguaranteed (43% of the total principal amount of the Group's credit loan portfolio).

As at 30 June 2024, the top five borrowers constituted 69% of the total principal amount of the Group's credit loan portfolio.

(iii) Reasons for loan impairments (and write-offs)

Management's discussion and the underlying reasons for the movements in loan impairments are that the ECL recognised primarily represented the credit risk involved in collectability of certain loans determined under the Group's loan impairment policy, with reference to factors including the credit history, financial conditions of the borrowers and forward-looking information. In accordance with the Group's loan impairment policy, the Group will apply the prevailing accounting standard to make such impairment. Therefore, the amount of ECL is updated at each reporting date to reflect the changes in credit risk on loan receivables since initial recognition.

At 30 June 2024, the gross amounts of credit loans have increased by approximately HK\$111 million from approximately HK\$4,413 million as at 31 December 2023 to approximately HK\$4,524 million. The net amounts after ECL provision of credit loans have decreased from approximately HK\$422 million as at 31 December 2023 to approximately HK\$354 million as at 30 June 2024.

Ageing analysis of credit loans based on due date and net of ECL provisions is as follows:

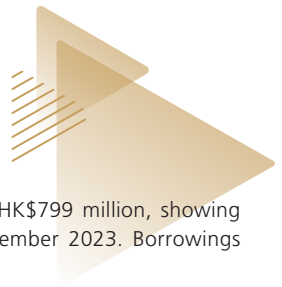
	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000
Within 30 days	51,537	94,196
31–90 days	—	—
Over 90 days	302,463	327,986
Credit loans, net	354,000	422,182

PROSPECTS

The Hong Kong market is yet to climb out from its downturn and the average daily turnover of the Hong Kong stock market in July 2024 was only about HK\$98.6 billion. The IPO market remains weak. Although we are in a much healthier financial position, we will remain cautious in the deployment of our resources. We will continue to build products and clientele in a sensible manner, work hard to convert transaction pipeline into mandates, and continue to recover long outstanding receivables. We trust that with our strengthened fundamentals and core capabilities, we are well positioned to capitalise on the upswing of the Hong Kong market as interest rate starts to drop and the Greater China economy regains better momentum.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow as well as through the utilisation of banking facilities, short-term loans and notes from non-bank entities. The Group's cash level as at 30 June 2024 stood at approximately HK\$164 million (31 December 2023: approximately HK\$122 million).



As at 30 June 2024, the Group's total borrowings was approximately HK\$799 million, showing an increase of 19% from approximately HK\$674 million as at 31 December 2023. Borrowings mainly consisted of two components.

- The first component was utilised bank facilities of approximately HK\$540 million (31 December 2023: approximately HK\$453 million), of which the Group had available aggregate banking facilities of approximately HK\$840 million (31 December 2023: approximately HK\$556 million).
- The second component was private notes issued by the Company and loans from other parties (mainly non-bank financial institutions), which amounted to approximately HK\$259 million (31 December 2023: approximately HK\$221 million).

As at 30 June 2024, the Group's gearing ratio (leverage) was 38% (31 December 2023: 33%), being calculated as total borrowings over net assets. The management has applied prudent risk and credit management on the borrowings. In addition, the Group is required to strictly follow regulatory re-pledging ratios and prudent bank borrowing benchmarks that govern the extent of bank borrowings in the securities margin lending business.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

For the current interim period, the Group had not made any material acquisitions and disposals of subsidiaries and associated companies other than that has been announced and disclosed in note 18. As at 30 June 2024, the Group did not hold any significant investments.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2024, assets of approximately HK\$1,308 million (31 December 2023: approximately HK\$514 million) were charged to banks and other lenders for facilities.

EMPLOYEES AND REMUNERATION POLICIES

On 30 June 2024, the Group had 181 full time employees (31 December 2023: 193) in Hong Kong and 22 full time employees (31 December 2023: 22) in Mainland China. In addition, the Group has 66 self-employed sales representatives (31 December 2023: 60). Competitive total remuneration packages are offered to employees by reference to industry remuneration research reports, prevailing market practices and standards and individual merit. Salaries are reviewed annually, and discretionary bonuses are paid with reference to individual performance appraisals, prevailing market conditions and the Group's financial performance. Other benefits offered by the Group include a mandatory provident fund scheme, medical and health insurance.

RISK MANAGEMENT

The Group's business is closely related to the economy and market fluctuations of Hong Kong and China, and indirectly affected by financial markets across the globe. To cope with unpredictable market fluctuations and minimize risks, the Group takes preventive measures and established a three-tier risk management system. At the front line, there are the relevant business departments who conduct the initial risk assessments. The risk management department ("RMD") and Legal & Compliance Department then reviews and provide comments on identified risks, if any. RMD is responsible for risk identification and analysis, the setting and monitoring of risk limits and parameters, and produce timely risk reports to the senior management. The Legal & Compliance Department also comment and monitor the legal risks involved as required. The Internal Audit Department conduct thorough checks periodically to ensure that any procedural and potential risks can be eradicated, concluding the final stem of our Group's comprehensive risk control.

Credit Risk

Credit risk is the potential risk in respect of loss arising from incompetence of a borrower, counterparty or issuer of financial instruments to meet its obligation, or potential deterioration of credit ratings. The Group has an established Credit Approval Policy and Procedure for pre-lending approval and a post-lending monitoring system in place for all business applications and proposals with potential credit risks. The credit risks of the Group mainly arise from five business areas: corporate finance business, asset management business, brokerage business, interest income business and proprietary investment business. Advance IT systems are also utilised by the Group to conduct daily monitoring on credit and concentration risk limits.

Market Risk

Market risk refers to potential losses due to market price movement of investment positions held, which includes interest rates risk, equity prices risk and foreign exchange rates risk. RMD is responsible for setting up market risk limits and investment guidelines for the Group's various business functions and their investment activities. Investments with potential market risks are, where appropriate, assessed and approved by RMD. Monitoring and assessments of market risks positions are conducted timely, and significant risks are reported to senior management to ensure the market risks of the Group are controlled within an acceptable level. The Group continues to modify the market risk models through periodic back-testing and stress scenarios tests.



Liquidity Risk

Liquidity risk refers to the risk that the Group might face in obtaining sufficient capital and funds in a timely manner to meet its payment obligations and capital requirements for normal business activities. Treasury Department is responsible for the sourcing, management and allocation of funds for the Group. Finance Department has a monitoring system to ensure compliance to relevant rules, including Financial Resources Rules and financial covenants of lending banks. In addition, the Group has maintained good relationships with banks to secure stable channels for short-term financing such as borrowings and repurchases. The Group may also raise short-term working capital through public and private offerings of corporate bonds. The Group has also established a liquidity system to ensure it has sufficient liquid assets to meet any emergency liquidity needs.

Operational Risk

Operational risk is the risk of financial loss arises mainly from negligence or omission of internal procedural management, information system failures or personnel misconduct of staffs. The Group actively schedules briefing sessions to improve risk awareness amongst employees, and instructs all departments to establish internal procedural and control guidelines. There is an Operational Risk Events Reporting procedure to ensure that all risk events are timely reported to the Risk Management, Legal & Compliance and IT Department for immediate implementation of remedial action. The Group has a Business Continuity Policy and has a special committee to deal with whatever emergency situations may arise which could pose operational risks to us.

Regulatory Compliance Risk

As a financial group operating regulated businesses, we endeavor to meet the stringent and evolving regulatory requirements, including but not limited to those related to investor interest protection and market integrity and stability maintenance. Our Legal & Compliance team works continuously to monitor, review, and reduce the regulatory risks of the Group.

Additional Information

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend in respect of the six months ended 30 June 2024 (2023: special dividend of HK1.1 cents per Share).

DIRECTORS' INTERESTS

As at 30 June 2024, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

I) Long Position in the Shares and the underlying Shares

Name of Directors	Capacity	Number of Shares/ underlying Shares held	Approximate percentage of shareholding in the Shares in issue (Note 1)
Mr. HAN	Interest of controlled corporation	4,216,809,571 (Note 2)	68.05%
	Beneficial owner	12,500,000 (Note 3)	0.20%
Mr. LAM	Beneficial owner	113,072,833	1.82%
	Interest of controlled corporation	4,216,809,571 (Note 2)	68.05%
	Beneficial owner	25,000,000 (Note 3)	0.40%
Mr. LIU Hongwei	Beneficial owner	12,500,000 (Note 3)	0.20%
Mr. LAM Wai Hon	Beneficial owner	3,000,000 (Note 3)	0.05%
Mr. FANG Zhou	Beneficial owner	3,000,000 (Note 3)	0.05%
Mr. Roy LO Wa Kei	Beneficial owner	5,000,000 (Note 3)	0.08%
Mr. LIU Jipeng	Beneficial owner	5,000,000 (Note 3)	0.08%



II) Long positions in the shares of associated corporation of the Company

(a) *Quam Tonghai Holdings*

Name of Directors	Capacity	Number of shares in Quam Tonghai Holdings	Approximate percentage of shareholding in Quam Tonghai Holdings (Note 4)
Mr. HAN	Beneficial owner	490	49%
Mr. LAM	Beneficial owner	510	51%

III) Interest in the debentures of the Company

Name of Director	Nature of interest	Amount of debenture
Mr. FANG Zhou	Personal interest	HK\$5,220,000

Notes:

1. The approximate percentage shown was the number of Shares the relevant Director was interested in expressed as a percentage of the total number of issued Shares as at 30 June 2024.
2. Quam Tonghai Holdings is the beneficial owner of 4,216,809,571 Shares and it is owned as to 51% by Mr. LAM and 49% by Mr. HAN, whose respective shares in Quam Tonghai Holdings are charged pursuant to a share charge dated 3 May 2022 (as supplemented by a supplemental deed dated 3 February 2023) in favour of Nautical League Limited (a company beneficially solely owned by Ms. LU Xiaoyun, the daughter of Mr. LU Zhiqiang). By virtue of the SFO, Mr. LAM and Mr. HAN are deemed to be interested in 4,216,809,571 Shares held by Quam Tonghai Holdings.
3. Details of interests in underlying shares in respect of share options granted by the Company are set out in the section headed "Share Option Scheme" of this Additional Information.
4. The approximate percentage shown was the number of Shares the relevant Director was interested in expressed as a percentage of the total number of issued shares of the relevant entity as at 30 June 2024.

Save as disclosed above, as at 30 June 2024, none of the Directors or their respective associates had or were deemed under the SFO to have any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register kept by the Company under section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND OTHER PERSON'S INTERESTS

As at 30 June 2024, so far as were known to the Directors, the following persons (other than the Directors) who had interests or short positions in the shares, underlying shares and debentures of the Company as recorded in the register kept by the Company under section 336 of the SFO, or as otherwise notified to the Company, as being directly or indirectly interested or deemed to be interested in 5% or more of the shares in issue of the Company, were as follows:

Long Position in the Shares

Name of holder of Shares/ underlying Shares	Capacity	Number of Shares/ underlying Shares held	Approximate percentage of total interests in the Shares in issue (Note 1)
Quam Tonghai Holdings	Beneficial owner	4,216,809,571 (Note 2)	68.05%
Mr. LU Zhiqiang ("Mr. LU")	Interest of controlled corporations	395,254,732 (Note 3)	6.38%
Tohigh Holdings Co., Ltd.* (通海控股有限公司)	Interest of controlled corporations	395,254,732 (Note 4)	6.38%
Oceanwide Group Co., Ltd.* (泛海集團有限公司)	Interest of controlled corporations	395,254,732 (Note 5)	6.38%
China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團 有限公司)	Interest of controlled corporations	395,254,732 (Note 6)	6.38%
Oceanwide Holdings	Interest of controlled corporations	395,254,732 (Note 7)	6.38%
China Oceanwide Group Limited	Interest of controlled corporations	395,254,732 (Note 7)	6.38%
Oceanwide Holdings IF	Beneficial owner	395,254,732 (Note 7)	6.38%
Haitong Securities Co., Ltd.	Interest of controlled corporations	4,100,000,000 (Note 8)	66.16%
Haitong International Holdings Limited	Interest of controlled corporations	4,100,000,000 (Note 9)	66.16%
Haitong International Securities Group Limited	Interest of controlled corporations	4,100,000,000 (Note 10)	66.16%



Name of holder of Shares/ underlying Shares	Capacity	Number of Shares/ underlying Shares held	Approximate percentage of total interests in the Shares in issue (Note 1)
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Haitong International Investment Solutions Limited (now known as "Spring Progress Investment Solutions Limited")	Security interest in shares	4,100,000,000	66.16%
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Notes:

1. The approximate percentage shown was the number of Shares the relevant company/person was interested in expressed as a percentage of the total number of issued Shares as at 30 June 2024.
2. Quam Tonghai Holdings is the beneficial owner of 4,216,809,571 Shares and it is owned as to 51% by Mr. LAM and 49% by Mr. HAN.
3. Mr. LU held more than one third of the voting power at general meetings of Tohigh Holdings Co., Ltd.* (通海控股有限公司). By virtue of the SFO, Mr. LU is deemed to be interested in all the Shares held by Tohigh Holdings Co., Ltd.* (通海控股有限公司).
4. Tohigh Holdings Co., Ltd.* (通海控股有限公司) held the entire issued share capital of Oceanwide Group Co., Ltd.* (泛海集團有限公司). By virtue of the SFO, Tohigh Holdings Co., Ltd.* (通海控股有限公司) is deemed to be interested in all the Shares held by Oceanwide Group Co., Ltd.* (泛海集團有限公司).
5. Oceanwide Group Co., Ltd.* (泛海集團有限公司) held 98% interest in the issued share capital of China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司). By virtue of the SFO, Oceanwide Group Co., Ltd.* (泛海集團有限公司) is deemed to be interested in all the Shares held by China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司).
6. China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司) directly and indirectly held 60.58% interest in the issued share capital of Oceanwide Holdings. By virtue of the SFO, China Oceanwide Holdings Group Co., Ltd.* (中國泛海控股集團有限公司) is deemed to be interested in all the Shares held by Oceanwide Holdings.

Saved as disclosed in Note 6 above, 0.32% interest in the issued share capital of Oceanwide Holdings was directly and indirectly owned by Tohigh Holdings Co., Ltd.* (通海控股有限公司) (through Tohigh Property Investment Management Co., Ltd.* (通海置業投資管理有限公司), Huaxin Capital Investment Management Co., Ltd.* (華馨資本投資管理有限公司), Beijing Dongfeng Xinghuo Real Estate Co., Ltd.* (北京東風星火置業有限公司), Oceanwide Gardening Technique Engineering Co., Ltd.* (泛海園藝技術工程有限公司), Beijing Oriental Oasis Sports & Leisure Co., Ltd.* (北京東方綠洲體育休閒有限公司), Tohigh Investment Group Co., Ltd.* (通海投資集團有限公司) and Tohigh Equity Investment Co., Ltd (通海股權投資股份有限公司)).

7. Oceanwide Holdings IF is a wholly-owned subsidiary of China Oceanwide Group Limited, which in turn is a wholly-owned subsidiary of Oceanwide Holdings. By virtue of the SFO, China Oceanwide Group Limited and Oceanwide Holdings are deemed to be interested in 395,254,732 Shares.
8. Haitong Securities Co., Ltd held 100% interest in the issued share capital of Haitong International Holdings Limited. By virtue of the SFO, Haitong Securities Co., Ltd is deemed to be interested in all the Shares held by Haitong International Holdings Limited.
9. Haitong International Holdings Limited indirectly held 63.08% interest in the issued share capital of Haitong International Securities Group Limited. By virtue of the SFO, Haitong International Holdings Limited is deemed to be interested in all the Shares held by Haitong International Securities Group Limited.
10. Haitong International Investment Solutions Limited (now known as "Spring Progress Investment Solutions Limited") is an indirect subsidiary of Haitong International Securities Group Limited. By virtue of the SFO, Haitong International Securities Group Limited is deemed to be interested in all the Shares held by Haitong International Investment Solutions Limited.

Save as disclosed above, as at 30 June 2024, the Company had not been notified by any other person (other than the Directors) who had interests or short positions in the shares or underlying shares of the Company which were required to be recorded in the register maintained by the Company under section 336 of the SFO.



SHARE AWARD SCHEME

A Restricted Share Award Scheme was adopted by the Company on 19 August 2010. The shares to be awarded under the Share Award Scheme (the "Awarded Shares") will be acquired by the trustee of the Share Award Scheme (the "Trustee") from the market out of the cash contributed by the Group and shall hold such Shares until they are vested in accordance with the rules of Share Award Scheme and the trust deed. The Share Award Scheme is subject to the administration of the Board and the Trustee in accordance with the rules of Share Award Scheme and the provisions of the trust Deed. The Trustee shall not exercise the voting rights in respect of any Shares held under the trust.

- I) Purpose : The purpose of the Share Award Scheme is to recognise and motivate the contribution of certain employees and/or consultants and to provide incentives and help the Group in retaining its existing employees or consultants and recruiting additional employees or consultants and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

- II) Participants : Eligible participants of the Share Award Scheme include any employee (whether full-time or part-time) of any member of the Group (including without limitation any executive and non-executive director of any member of the Group), and any person or entity that provides research, development or technological support or other services to the Group, who, in the sole discretions of the Board, have contributed or may contribute to the Group.

- III) Maximum number of Awarded Shares available for allocation under the scheme : The total number of Awarded Shares under the Share Award Scheme must not exceed 94,798,451 shares, which representing (i) 10% of the total issued Shares as at the date of adoption of the Share Award Scheme on 19 August 2010 and (ii) 1.53% of the total issued Shares as at the date of this interim report.

- IV) Maximum entitlement of each participant : The maximum number of shares which may be awarded to a selected participant under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.
- V) The vesting period of Awarded Shares : The Board may from time to time while the Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the award to be vested.
- Subject to the terms and conditions of the Share Award Scheme and the fulfilment of all vesting conditions to the vesting of the Awarded Shares of the Company on such selected participant, trustee shall cause the respective Awarded Shares of the Company to be transferred to such selected participant on the vesting date.
- VI) The amount payable upon acceptance of the awarded shares : Nil.
- VII) The basis of determining the purchase price of shares awarded : Not applicable as there is no purchase price under the Share Award Scheme.
- VIII) The remaining life of the scheme : Unless terminated earlier by the Board, the Share Award Scheme shall be valid and effective for an initial term of 10 years from the date of its adoption. However, the Board has the right to renew for the Share Award Scheme up to three times and each time for another 5-year terms. The Share Award Scheme had been renewed for five years from 19 August 2020 to 18 August 2025. The Share Award Scheme should be retained until expiry of trust period or until informed by the Company.



As at 30 June 2024, a total of 51,172,002 Awarded Shares are now held by the trustee under the Restricted Share Award Scheme Trust which is available for allocation. No Awarded Share has been granted during the six months ended 30 June 2024.

SHARE OPTION SCHEME

The Company adopted an employee Share Option Scheme on 23 September 2020. A summary of the principal terms of the Share Option Scheme is given below:

- I) Purpose : The purpose of the Share Option Scheme is to provide incentives or rewards to eligible participants for their contribution or would-be contribution to the Group to obtain an equity interest in the Company and to attract potential candidates to serve the Group for the benefit of the development of the Group.

- II) Participants : Eligible participants of the Share Option Scheme include all directors (whether executive or non-executive and whether independent or not), any employee (whether full-time or part-time), any consultant or adviser of or to the Company or the Group (whether on an employment or contractual or honorary basis and whether paid or unpaid), shareholders of the Company and any member of the Group, who, in the absolute opinion of the Board, have contributed or will contribute to the Company or the Group.

- III) Total number of shares available for issue under the scheme and percentage of issued share capital as at the date of this interim report : The number of shares available for issue under the Share Option Scheme mandate limit was 619,704,922 shares representing 10% of the issued Shares as at the date of this interim report.

On 21 July 2023, the Company granted 152,500,000 share options to certain Directors, directors of certain subsidiaries of the Company and the employees of the Group to subscribe for a total of 152,500,000 Shares pursuant to the Share Option Scheme at the exercise price at HK\$0.2 per Share.

The number of options available for grant under the Share Option Scheme as at the date of this interim report was 478,704,922 shares (including the lapsed shares) representing 7.72% of the issued Shares as at the date of this interim report.

- IV) Maximum entitlement of each participant : The maximum number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme to each participant in any 12-month period up to and including the date of grant of the options shall not exceed 1% of the total number of shares in issue unless it is approved by Shareholders in general meeting of the Company, at which such participant and his close associates (or his associates if the participant is a connected person) shall abstain from voting.

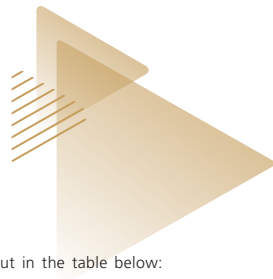
Any share options propose to grant to a substantial Shareholder or an independent non-executive Director or to any of their respective associates, in the 12-month period up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue and having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, are subject to approval by Shareholders in general meeting of the Company.



- V) The period within which the shares must be taken up under an option : The period within which the options must be exercised will be specified by the Company at the time of grant. This period shall not more than 10 years from the relevant date of grant of the options.
- VI) The minimum period for which an option must be held before it can be exercised : The Company may specify any minimum period(s) for which an option must be held before it can be exercised at the time of grant of the options. The Share Option Scheme does not contain any such minimum period.
- VII) The amount payable upon acceptance of the option : HK\$10.0 is payable by each eligible participant as consideration for the grant of an option on acceptance of options within 21 days from the date of offer of the options.
- VIII) The basis of determining the subscription price : The subscription price must be at least the higher of:
- (i) the closing price of share as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day;
 - (ii) the average closing prices of the shares as stated in the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of offer; and
 - (iii) the nominal value of a share.
- IX) The remaining life of the scheme : The Share Option Scheme shall be valid and effective until the close of business of the Company on the date which falls 10 years after the adoption date.

Movements of the share options under the Share Option Scheme during the six months ended 30 June 2024 are as follows:

Grantees	Date of Grant	Number of Share Options						As at 30 June 2024	Exercisable at 30 June 2024	Exercise Period (Note 1)	Exercise Price of Options (per share)
		As at 1 January 2024	Granted during the Period	Exercised during the Period	Cancelled during the Period	Lapsed during the Period					
<i>Directors, Chief Executive and Substantial Shareholder:</i>											
Mr. HAN	21 July 2023	12,500,000	0	0	0	0	12,500,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 2)	HK\$0.2	
Mr. LAM	21 July 2023	25,000,000	0	0	0	0	25,000,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 2)	HK\$0.2	
Mr. LIU Hongwei	21 July 2023	12,500,000	0	0	0	0	12,500,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 2)	HK\$0.2	
Mr. LAM Wai Hon	21 July 2023	3,000,000	0	0	0	0	3,000,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 2)	HK\$0.2	
Mr. FANG Zhou	21 July 2023	3,000,000	0	0	0	0	3,000,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 2)	HK\$0.2	
Mr. Roy LO Wa Kei	21 July 2023	5,000,000	0	0	0	0	5,000,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 3)	HK\$0.2	
Mr. LIU Jipeng	21 July 2023	5,000,000	0	0	0	0	5,000,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 3)	HK\$0.2	
<i>Employees:</i>											
In Aggregate	21 July 2023	86,500,000	0	0	0	11,500,000	75,000,000	0	22 July 2024 to 21 July 2033 (Notes 1 and 2)	HK\$0.2	
Total		152,500,000	0	0	0	11,500,000	141,000,000	0			



Notes:

- 1) The share options shall be vested and become exercisable in three tranches as set out in the table below:

Tranche	Vesting Date	Percentage of Share Options shall be vested
First	The first trading day after 12 months from the Date of Grant	25%
Second	The first trading day after 24 months from the Date of Grant	35%
Third	The first trading day after 36 months from the Date of Grant	40%

- 2) The vesting of 30% of each tranche of the share options to the grantees (except the independent non-executive Directors) is subject to satisfaction of performance targets to be determined by the Board. There is no performance target attached to the vesting of the remaining 70% of each tranche of the Share Options to the grantees (except the independent non-executive Directors).
- 3) There is no performance target attached to the share options granted to independent non-executive Directors.

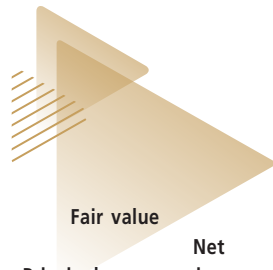
Save as disclosed above, at no time during the six months ended 30 June 2024 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under eighteen years of age to acquire benefits by means of the acquisition of the shares in or debentures of the Company or any other body corporate.

DISCLOSURE PURSUANT TO RULE 13.15 OF THE LISTING RULES

Items	Transactions	Amortised cost		or	Fair value	
		Principal amounts	Net carrying amounts (Note 1)		Principal amounts	Net carrying amounts (Note 2)

The following term loans were extended by Quam Finance Limited (“Quam Finance”, a direct wholly-owned subsidiary of the Company) to China Oceanwide:

1	on 31 March 2021, Quam Finance extended a term loan in an amount of HK\$3 million with an interest rate of 12% per annum and with a maturity date of 31 March 2022.	HK\$3 million	HK\$1 million (Note 1a)		N/A	N/A
2	on 31 March 2021, Quam Finance extended a term loan in an amount of HK\$5 million with an interest rate of 12% per annum and with a maturity date of 31 March 2022.	HK\$5 million	HK\$1 million (Note 1a)		N/A	N/A
3	on 31 March 2021, Quam Finance extended a term loan in an amount of HK\$8 million with an interest rate of 12% per annum and with a maturity date of 31 March 2022.	HK\$8 million	HK\$1 million (Note 1a)		N/A	N/A
4	on 31 March 2021, Quam Finance extended a term loan of HK\$28 million with an interest rate of 12% per annum and with a maturity date of 31 March 2022.	HK\$28 million	HK\$4 million (Note 1a)		N/A	N/A
5	on 21 December 2020, Quam Finance extended a term loan in the amount of HK\$280 million with an interest rate of 12% per annum and with a maturity date of 31 December 2021.	HK\$280 million	HK\$39 million (Note 1a)		N/A	N/A



Items	Transactions	Amortised cost		or	Fair value	
		Principal amounts	Net carrying amounts (Note 1)		Principal amounts	Net carrying amounts (Note 2)
6	on 31 December 2020, Quam Finance extended a term loan of HK\$156 million with an interest rate of 12% per annum and with a maturity date of 31 December 2021.	HK\$156 million	HK\$21 million (Note 1a)		N/A	N/A

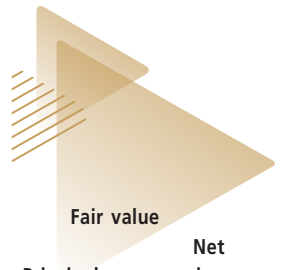
The following term loans and margin facility were provided or extended to China Oceanwide International Investment Company Limited (“COII”) or Minyun Limited (“Minyun”), indirect subsidiaries of Tohigh Holdings Co., Ltd.* (通海控股有限公司):

1	on 3 December 2019, Quam Finance provided a term loan of HK\$64.5 million to Minyun with an interest rate of 7.875% per annum and with a maturity date of 31 January 2022.	HK\$64.5 million	HK\$15 million (Note 1a)		N/A	N/A
2	a margin facility of HK\$5 million provided by Quam Securities Limited (“Quam Securities”, an indirect wholly-owned subsidiary of the Company) to Minyun pursuant to the terms of facility agreement dated 3 March 2020 at interest rate of 6% above prime rate per annum payable annually. The facility is secured by the collateral which shall be charged to or held by Quam Securities for its benefit as a first priority fixed continuing security for the payment and/or discharge to Quam Securities of all and any of the Minyun’s liabilities to Quam Securities pursuant to the terms of the facility.	N/A	N/A		HK\$4 million	HK\$4 million (Note 2)

Items	Transactions	Amortised cost		or	Fair value	
		Principal amounts	Net carrying amounts (Note 1)		Principal amounts	Net carrying amounts (Note 2)
3	a margin facility of HK\$10 million provided by Quam Securities to COII pursuant to the terms of facility agreement dated 3 March 2020 at interest rate of 3% above prime rate per annum payable by COII annually. The facility is secured by the collateral which shall be charged to or held by Quam Securities for its benefit as a first priority fixed continuing security for the payment and/or discharge to Quam Securities of all and any of the COII's liabilities to Quam Securities pursuant to the terms of the facility.	N/A	N/A		HK\$9 million	HK\$2 million (Note 2)
4	on 28 January 2021, Quam Finance extended a term loan in the aggregate amount of HK\$678 million with an adjusted interest rate of 10.5% per annum to COII and with a maturity date of 28 January 2022.	HK\$446 million	HK\$85 million (Note 1a)		N/A	N/A

The following term loan and unsecured private notes were provided or extended to Oceanwide Holdings International Development III Co., Ltd. (the "Issuer/OHIDIII", a subsidiary of Oceanwide Holdings):

1	on 1 April 2021, Quam Finance extended the consolidated term loans in an aggregate amount of approximately HK\$391 million with an interest rate of 12% per annum and with a maturity date of 31 March 2022.	HK\$391 million	HK\$62 million (Note 1a)		N/A	N/A
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Items	Transactions	Amortised cost		or	Fair value	
		Principal amounts	Net carrying amounts (Note 1)		Principal amounts	Net carrying amounts (Note 2)
2	on 26 April 2022, Quam Capital (Holdings) Limited (“Quam Capital Holdings, a direct wholly-owned subsidiary of the Company) and Quam Securities subscribed unlisted senior notes issued by the Issuer in the subscription amount of US\$91 million (equivalent to approximately HK\$709.8 million) with coupon interest rate of 11.8% per annum, payable semi-annually and with a maturity date of 25 April 2023.	HK\$709.8 million	HK\$121 million (Note 1b)		N/A	N/A
3	on 2 June 2021, Quam Capital Holdings subscribed an unsecured private notes issued by the Issuer in the subscription amount of US\$12 million (equivalent to approximately HK\$93.6 million) with coupon interest rate of 11.8% per annum and with a maturity date of 1 June 2022.	HK\$93.6 million	HK\$15 million (Note 1b)		N/A	N/A
4	on 30 June 2021, Quam Finance extended a term loan of HK\$45 million with an interest rate of 11% per annum and with a maturity date of 30 June 2022.	HK\$45 million	HK\$7 million (Note 1a)		N/A	N/A
5	on 30 June 2021, Quam Finance extended a term loan of HK\$27.5 million with an interest rate of 12% per annum and with a maturity date of 30 June 2022.	HK\$27.5 million	HK\$4 million (Note 1a)		N/A	N/A

Items	Transactions	Amortised cost		or	Fair value	
		Principal amounts	Net carrying amounts (Note 1)		Principal amounts	Net carrying amounts (Note 2)
6	on 31 December 2020, Quam Finance extended a term loan of HK\$27.5 million with an interest rate of 12% per annum and with maturity date of 31 December 2021.	HK\$27.5 million	HK\$4 million (Note 1a)		N/A	N/A
7	on 4 March 2021, Quam Finance provided a term loan of HK\$180 million with an interest rate of 12% per annum and with maturity date of 31 March 2022.	HK\$180 million	HK\$29 million (Note 1a)		N/A	N/A
8	on 22 March 2021, Quam Finance provided a term loan of HK\$20 million with an interest rate of 12% per annum and with maturity date of 31 March 2022.	HK\$20 million	HK\$3 million (Note 1a)		N/A	N/A
	Total	HK\$2,484.9 million	HK\$412 million		HK\$13 million	HK\$6 million

Notes:

- 1a. As at 30 June 2024, approximately HK\$276 million forms part of the HK\$333 million total for current portion of credit loans (note 15) in the condensed consolidated statement of financial position.
- 1b. As at 30 June 2024, approximately HK\$136 million forms the total of current portion of financial assets not held for trading (note 13) in the condensed consolidated statement of financial position.
2. As at 30 June 2024, approximately HK\$6 million forms part of the HK\$520 million total for current portion of loans to margin clients (note 14) in the condensed consolidated statement of financial position.

As at 30 June 2024, all the above loans were still outstanding but expired.



DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

On 29 December 2023, the Company as borrower entered into an amendment and restatement deed (the “Deed” and together with the original banking facility agreement entered on 11 July 2018, the deed of amendment entered on 11 July 2019, the deed of amendment and restatement entered on 10 July 2020, the deeds of amendment entered on 31 August 2021, 31 December 2021 and 28 March 2023, collectively, the “Revised Banking Facility Arrangement”) with a licensed bank in Hong Kong as lender to extend the banking facility with the principal amount of HK\$250,000,000 (the “Extended Banking Facility”) from 29 December 2023 to 27 December 2024.

Pursuant to the terms of Revised Banking Facility Arrangement, it requires Mr. LAM, the executive Director, to maintain controlling interest in Quam Tonghai Holdings or Quam Tonghai Holdings shall at all times directly beneficially own not less than 60% of the issued Shares. As at the date of this interim report, Mr. LAM maintained controlling interest in Quam Tonghai Holdings and Quam Tonghai Holdings beneficially own approximately 68.05% of the issued Shares. Upon the breach of this condition, the Extended Banking Facility will immediately and automatically be cancelled and all outstanding principal together with accrued interest, and all other amounts accrued under the Revised Banking Facility Arrangement, become immediately due and payable.

UPDATES ON DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Changes of information of the Directors since the date of 2023 Annual Report which is required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules are set out below:

Name of Directors	Details of Change
Mr. FANG Zhou	— Entered the letter of appointment with the Company for a term of one year commencing 19 May 2024
Mr. Roy LO Wa Kei	— Acted as an independent director of New Hope Dairy Co., Ltd. (新希望乳業股份有限公司), whose shares are listed on the Shenzhen Stock Exchange (Stock Code: 002946)
Ms. Cindy KONG Siu Ching	— Entered the letter of appointment with the Company for a term of one year commencing 18 August 2024

Save as disclosed above, there is no other information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of listed securities of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code. The code of conduct is also updated from time to time in order to keep abreast with the latest changes in the Listing Rules. It has also been extended to specific employees of the Company who are likely to be in possession of unpublished price-sensitive information in respect of their dealings in the securities of the Company.

In response to specific enquiry, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the six months ended 30 June 2024.

CORPORATE GOVERNANCE PRACTICES

The Board considers that the Company has applied the principles and complied with the code provisions set out in Corporate Governance Code throughout the six months ended 30 June 2024 and subsequent period up to the date of this interim report, save for the deviations from code provision C.2.1 which is explained as follows:

The Co-Chairman of the Company are Mr. HAN and Mr. LAM while the role of Chief Executive Officer had been performed by Mr. LAM. This constitutes a deviation from code provision C.2.1 of the Corporate Governance Code which stipulates that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. However, the Board considers that in view of the current operation, structure, size and resources of the Group together with substantial experience of financial services business, extensive management experience and leadership within the Group of Mr. LAM, that it is currently most beneficial and efficient to maintain the existing leadership structure.



AUDIT COMMITTEE REVIEW

The Audit Committee comprises three independent non-executive Directors. The Audit Committee has reviewed the unaudited condensed consolidated financial results of the Company for the six months ended 30 June 2024 and discussed with the management of the Company the accounting principles and practices adopted by the Group, internal control and financial reporting matters.

On behalf of the Board

Quam Plus International Financial Limited

HAN Xiaosheng

Co-Chairman

Hong Kong, 27 August 2024

Corporate Information

BOARD OF DIRECTORS

Mr. HAN Xiaosheng (*Co-Chairman*)
Mr. Kenneth LAM Kin Hing
(*Co-Chairman and Chief Executive Officer*)
Mr. LIU Hongwei
Mr. LAM Wai Hon
Mr. FANG Zhou[^]
Mr. Roy LO Wa Kei[#]
Mr. LIU Jipeng[#]
Ms. Cindy KONG Siu Ching[#]
[^] *Non-executive Director*
[#] *Independent Non-executive Director*

EXECUTIVE COMMITTEE

Chairman: Mr. Kenneth LAM Kin Hing
Vice-Chairman: Mr. HAN Xiaosheng
Members: Mr. LIU Hongwei
Mr. LAM Wai Hon

AUDIT COMMITTEE

Chairman: Mr. Roy LO Wa Kei
Members: Mr. LIU Jipeng
Ms. Cindy KONG Siu Ching

REMUNERATION COMMITTEE

Chairman: Mr. LIU Jipeng
Members: Mr. LIU Hongwei
Ms. Cindy KONG Siu Ching

NOMINATION COMMITTEE

Chairman: Mr. HAN Xiaosheng
Members: Mr. Kenneth LAM Kin Hing
Mr. Roy LO Wa Kei
Mr. LIU Jipeng
Ms. Cindy KONG Siu Ching

COMPANY SECRETARY

Ms. Hortense CHEUNG Ho Sze

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5/F and 24/F (Rooms 2401 and Room 2412)
Wing On Centre
111 Connaught Road Central
Hong Kong

AUDITOR

HLB Hodgson Impey Cheng Limited
*Certified Public Accountants and Public Interest
Entity Auditor registered in accordance with the
Accounting and Financial Reporting Council
Ordinance*

HONG KONG LEGAL ADVISER

Howse Williams

BERMUDA LEGAL ADVISER

Conyers Dill & Pearman

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
China Minsheng Banking Corp., Ltd.
Hong Kong Branch
Chong Hing Bank Limited
Dah Sing Bank, Limited
Fubon Bank (Hong Kong) Limited
Nanyang Commercial Bank, Limited
Shanghai Commercial Bank Limited
Standard Chartered Bank (Hong Kong) Limited
The Bank of East Asia, Limited

STOCK CODE

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WEBSITE OF QUAM PLUS FINANCIAL GROUP

www.quamplus.com

INVESTOR RELATIONS

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Fax: (852) 3905-8731
Email: ir@quamgroup.com



“Audit Committee”	means	the audit committee of the Company
“Board”	means	the board of Directors
“Bye-laws”	means	the bye-laws of the Company, as amended from time to time
“China Oceanwide”	means	China Oceanwide Holdings Limited (in liquidation), a company incorporated in Bermuda with limited liability and an indirect subsidiary of Oceanwide Holdings, the shares of which are listed on the Stock Exchange (Stock Code: 715)
“Company”	means	Quam Plus International Financial Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 952)
“Corporate Governance Code”	means	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Director(s)”	means	the director(s) of the Company
“Group”	means	the Company and its subsidiaries
“HK\$”	means	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	means	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	means	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	means	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Mr. HAN”	means	Mr. HAN Xiaosheng, the Co-Chairman of the Board and executive Director
“Mr. LAM”	means	Mr. Kenneth LAM Kin Hing, the Co-Chairman of the Board, executive Director and Chief Executive Officer of the Group
“Oceanwide Holdings”	means	Oceanwide Holdings Co., Ltd.* (泛海控股股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which were previously listed on the Shenzhen Stock Exchange (Previous Stock code: 000046 and delisted in February 2024)
“Oceanwide Holdings IF”	means	Oceanwide Holdings International Financial Development Co., Ltd., a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of Oceanwide Holdings

“PRC”	means	the People’s Republic of China, which for the purpose of this interim report, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Quam Tonghai Holdings”	means	Quam Tonghai Holdings Limited, a company incorporated in Hong Kong with limited liability, which is beneficially owned as to 51% by Mr. LAM and 49% by Mr. HAN
“SFO”	means	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	means	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	means	holder(s) of the Shares
“Share Award Scheme”	means	Restricted Share Award Scheme of the Company adopted on 19 August 2010
“Share Option Scheme”	means	Share Option Scheme of the Company adopted on 23 September 2020
“Stock Exchange”	means	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	means	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission
“US”	means	United States of America
“%”	means	per cent.

For the purpose of this interim report, unless otherwise specified or the context requires otherwise, “” denotes an English translations of a Chinese name and is for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.*