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## **Non-Collateralised Structured Products**

issued by

**trueFriend Korea Investment  
& Securities Asia Ltd.**

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

*(incorporated with limited liability in Hong Kong)*

## **Announcement for Publication of Interim Report**

The Issuer has released its unaudited interim report for the six months ended 30 June 2025 ("**Interim Report**") on 9 September 2025. A copy of the Interim Report is included at the end of this announcement. References to page numbers in the Interim Report are to pages therein and not to pages in this announcement.

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

**Korea Investment & Securities Asia Limited**  
9 September 2025

**KOREA INVESTMENT AND SECURITIES ASIA LIMITED**

**韓國投資證券亞洲有限公司**

(Incorporated in Hong Kong with limited liability)

**Interim Financial Report**

**For the six months ended 30 June 2025**

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

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025**

	Notes	At 30 June 2025  HK\$ (Unaudited)	At 31 December 2024  HK\$ (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	37,974	118,796
Intangible assets	4	1,307,994	1,744,893
Right-of-use assets	5(a)	10,250,893	12,301,071
Investment in associate	6	120,623,995	116,668,479
Financial assets measured at amortised cost	7	202,490,772	200,891,195
Statutory deposits	8	299,123,163	355,253,426
Deposits and other assets	9	1,400,249	1,479,701
		<hr/> 635,235,040	<hr/> 688,457,561
<b>Current assets</b>			
Amounts due from broker	10	15,998,304	426,753,288
Amount due from immediate holding company	11	1,818,331	646,829
Financial assets measured at amortised cost	7	1,571,888	1,629,239
Financial assets at fair value through profit or loss	12	1,735,742,847	939,645,651
Deposits and other assets	9	4,177,540	6,211,331
Cash and cash equivalents	13		
-General accounts		2,032,645,994	2,562,420,467
-Segregated accounts		50,765,562	43,204,833
Trade and other receivables	14	44,730,841	50,248,106
		<hr/> 3,887,451,307	<hr/> 4,030,759,744
<b>Total assets</b>		<hr/> <b>4,522,686,347</b>	<hr/> <b>4,719,217,305</b>

The accompanying notes an integral part of these financial statements

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

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025**  
**(Continued)**

	Notes	At 30 June 2025  HK\$ (Unaudited)	At 31 December 2024  HK\$ (Audited)
<b>EQUITY</b>			
<b>Equity attributable to the owners of the Company</b>			
Share capital	22	3,700,321,900	3,700,321,900
Retained earnings		452,276,862	367,995,218
<b>Total equity</b>		<u>4,152,598,762</u>	<u>4,068,317,118</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial liabilities at fair value through profit or loss	12	35,161,580	25,210,482
Accrued bonus		8,535,948	10,404,183
Accounts payable and accruals		4,799,526	8,066,331
Amount due to broker	10	-	312,543,413
Lease liabilities	5(b)	4,005,222	3,916,416
Tax payable	16	9,914,507	-
Trade and other payables	15	301,312,974	282,374,707
		<u>363,729,757</u>	<u>642,515,532</u>
<b>Non-Current liabilities</b>			
Lease liabilities	5(b)	6,357,828	8,384,655
<b>Total liabilities</b>		<u>370,087,585</u>	<u>650,900,187</u>
<b>Total equity and liabilities</b>		<u>4,522,686,347</u>	<u>4,719,217,305</u>

The accompanying notes are an integral part of these financial statements

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Notes	Six months ended 30 June 2025 HK\$ (Unaudited)	2024 HK\$ (Unaudited)
<b>Revenue</b>			
Fee income	17	22,451,180	32,232,919
Net (losses)/gains on financial assets and financial liabilities at fair value through profit or loss	18	(40,245,327)	18,005,223
Net losses on interest in associates at fair value		(263,877)	(385,278)
Dividend income		1,359,223	4,377,571
Interest income	19	36,826,953	28,505,363
		<u>20,128,152</u>	<u>82,735,798</u>
<b>Other income</b>			
Other interest income	19	17,252,904	45,384,909
Income from money market funds		32,078,024	22,626,823
Exchange gains/(losses), net		65,303,819	(21,599,959)
Other income		5,015	27,687
		<u>114,639,762</u>	<u>46,439,460</u>
<b>Net total income</b>		<u>134,767,914</u>	<u>129,175,258</u>
<b>Expenses</b>			
Staff costs		(20,844,516)	(26,350,038)
Travelling and entertainment		(1,982,273)	(1,733,436)
Information and communication costs		(8,703,236)	(8,864,720)
Insurance costs		(528,844)	(505,069)
Depreciation			
- Property and equipment		(80,822)	(161,450)
- Right-of-use asset		(2,050,178)	(2,317,179)
Auditor's remuneration		-	(96,300)
Transaction fees		(1,132,532)	(9,015,877)
Commission and transaction fees related to loans and funds		(947,070)	(57,569)
Other operating expenses		(3,201,954)	(2,111,337)
Amortisation expense		(436,899)	(436,898)
<b>Total expenses</b>		<u>(39,908,324)</u>	<u>(51,649,873)</u>
Impairment losses		<u>(84,367)</u>	<u>(63,046)</u>

The accompanying notes an integral part of these financial statements

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

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025 (Continued)**

	Notes	Six months ended 30 June 2025 HK\$ (Unaudited)	2024 HK\$ (Unaudited)
Finance costs			
- Interest paid to broker		(7,245)	(594)
- Interest expense on lease liabilities		(250,011)	(10,102)
		<u>(257,256)</u>	<u>(10,696)</u>
<b>Profit before tax</b>		<b>94,517,967</b>	<b>77,451,643</b>
Tax expense	20	<u>(10,236,323)</u>	<u>(3,020,996)</u>
<b>Profit and total comprehensive income for the period</b>		<b><u>84,281,644</u></b>	<b><u>74,430,647</u></b>

The accompanying notes are an integral part of these financial statements

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

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	(Unaudited)		
	Share capital HK\$	Retained earnings HK\$	Total HK\$
<b>As at 1 January 2024</b>	3,700,321,900	299,288,596	3,999,610,496
Profits and total comprehensive income for the period	-	74,430,647	74,430,647
<b>As at 30 June 2024</b>	<u>3,700,321,900</u>	<u>373,719,243</u>	<u>4,074,041,143</u>
<b>As at 1 January 2025</b>	3,700,321,900	367,995,218	4,068,317,118
Profits and total comprehensive income for the period	-	84,281,644	84,281,644
<b>As at 30 June 2025</b>	<u>3,700,321,900</u>	<u>452,276,862</u>	<u>4,152,598,762</u>

The accompanying notes are an integral part of these financial statements

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

**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Notes	Six months ended 30 June 2025 HK\$ (Unaudited)	2024 HK\$ (Unaudited)
<b>Operating activities</b>			
Profit before tax		94,517,967	77,451,643
<b>Adjustments for:</b>			
Depreciation		2,131,000	2,478,629
Amortisation expense		436,899	436,898
Impairment losses charged		84,367	63,046
Interest income		(54,079,857)	(73,890,272)
Finance costs		257,256	10,696
Net losses on interest in associates at fair value		263,877	385,278
Unrealised loss on financial assets and financial liabilities at fair value through profit or loss		21,964,843	15,685,953
Unrealised (gain)/loss on foreign exchange of interest in associates		(1,275,092)	43,758
<b>Changes in working capital:</b>			
Increase in financial assets at fair value through profit or loss		(811,253,440)	(127,016,217)
(Increase)/decrease in financial assets measured at amortised cost		(1,684,070)	8,569,096
(Increase)/decrease in due from immediate holding company		(1,171,502)	4,685,139
Decrease/(increase) in deposits and other assets		58,243,506	(31,780,892)
Decrease/(increase) in amount due from broker		410,754,984	(425,081,164)
Increase in financial liabilities at fair value through profit or loss		9,951,098	56,252,227
Decrease in accrued bonus		(1,868,235)	(6,544,517)
Decrease in accounts payable and accruals		(3,266,805)	(1,846,861)
(Decrease)/increase in amount due to broker		(312,543,413)	409,043,696
Increase in trade and other receivables		(5,514,988)	(21,765,175)
Increase in trade and other payables		11,377,538	141,120,210
<b>Cash (used in)/generated from operations</b>		<b>(582,674,067)</b>	<b>28,301,171</b>
Interest received		58,360,988	75,414,240
Interest paid		(7,245)	(594)
Tax paid		(321,816)	(956,208)
<b>Net cash (used in)/generated from operating activities</b>		<b>(524,642,140)</b>	<b>102,758,609</b>

The accompanying notes an integral part of these financial statements



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

**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025 (Continued)**

	Notes	Six months ended 30 June 2025 HK\$ (Unaudited)	2024 HK\$ (Unaudited)
<b>Investing activities</b>			
Purchased of fixed assets	3	-	(10,248)
Acquisition of interest in associates		(2,944,301)	(1,471,417)
<b>Net cash used in investing activities</b>		<u>(2,944,301)</u>	<u>(1,481,665)</u>
<b>Financing activity</b>			
Interest element of lease rentals paid		(250,011)	(10,102)
Capital element of lease rentals paid		(1,938,021)	(2,373,290)
<b>Net cash used in investing activity</b>		<u>(2,188,032)</u>	<u>(2,383,392)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(529,774,473)	98,893,552
Cash and cash equivalents at beginning of the period		<u>2,562,420,467</u>	<u>2,186,875,932</u>
<b>Cash and cash equivalents at end of the period</b>		<u><u>2,032,645,994</u></u>	<u><u>2,285,769,484</u></u>

The accompanying notes an integral part of these financial statements

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

**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**1 Basis of preparation**

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

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

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

This interim financial report contains financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the 2024 annual financial statements. The interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRSs.

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

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

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

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

**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**2 Changes in accounting policies**

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

- Amendments to HKAS 21, The effects of changes in foreign exchange rates - Lack of exchangeability

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

**3 Property and equipment**

	<i>Furniture</i> HK\$	<i>Leasehold improvement</i> HK\$	<i>Office equipment</i> HK\$	<i>Total</i> HK\$
<b>As at 31 December 2024</b> (Audited)				
Cost	595,075	1,357,121	3,371,978	5,324,174
Accumulated depreciation	(581,514)	(1,357,121)	(3,266,743)	(5,205,378)
Net book value	<u>13,561</u>	<u>-</u>	<u>105,235</u>	<u>118,796</u>
<b>As at 30 June 2025</b> (Unaudited)				
Cost	595,075	1,357,121	3,371,978	5,324,174
Accumulated depreciation	(586,929)	(1,357,121)	(3,342,150)	(5,286,200)
Net book value	<u>8,146</u>	<u>-</u>	<u>29,828</u>	<u>37,974</u>

During the six months ended 30 June 2025, the Company has not acquired any items of property and equipment (six months ended 30 June 2024: HK\$10,248).

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

**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**4 Intangible assets**

	<i>Trading right</i> HK\$	<i>Computer &amp; software</i> HK\$	<i>Total</i> HK\$
<b>As at 31 December 2024</b> (Audited)			
Cost	1,000,000	4,368,987	5,368,987
Accumulated amortisation	-	(3,624,094)	(3,624,094)
Net book value	<u>1,000,000</u>	<u>744,893</u>	<u>1,744,893</u>
<b>As at 30 June 2025</b> (Unaudited)			
Cost	1,000,000	4,368,987	5,368,987
Accumulated amortisation	-	(4,060,993)	(4,060,993)
Net book value	<u>1,000,000</u>	<u>307,994</u>	<u>1,307,994</u>

During the six months ended 30 June 2025, the Company has not acquired any items of intangible assets (six months ended 30 June 2024: HK\$ nil).

**5 Leases**

**(a) Right-of-use assets**

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

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
Other properties leased for own use, carried at depreciation cost	<u>10,250,893</u>	<u>12,301,071</u>

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

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

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

**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**5 Leases (continued)**

**(b) Lease liabilities**

	<u>30 June 2025</u>		<u>31 December 2024</u>	
	<i>Present value of the lease payments HK\$</i>	<i>Total lease payments HK\$</i>	<i>Present value of the lease payments HK\$</i>	<i>Total lease payments HK\$</i>
Within 1 year	4,005,222	4,376,064	3,916,416	4,376,064
After 1 year but within 2 years	4,190,478	4,376,064	4,097,564	4,376,064
After 2 years but within 5 years	2,167,350	2,188,032	4,287,091	4,376,064
	<u>6,357,828</u>	<u>6,564,096</u>	<u>8,384,655</u>	<u>8,752,128</u>
	<u>10,363,050</u>	<u>10,940,160</u>	<u>12,301,071</u>	<u>13,128,192</u>
Less: Total future interest expenses		(577,110)		(827,121)
Present value of lease liabilities		<u>10,363,050</u>		<u>12,301,071</u>

**6 Investment in associate**

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

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
Clean Energy Transition Fund LP	<u>120,623,995</u>	<u>116,668,479</u>

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

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

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

**KOREA INVESTMENT AND SECURITIES ASIA LIMITED**  
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**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**7 Financial assets measured at amortised cost**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)		
<b>(a) Financial assets</b>				
<b>Non-current</b>				
Loans	204,298,740	202,614,668		
Less: impairment allowances	(1,807,968)	(1,723,473)		
	<u>202,490,772</u>	<u>200,891,195</u>		
<b>Current</b>				
Accrued interest	1,589,564	1,647,043		
Less: impairment allowances	(17,676)	(17,804)		
	<u>1,571,888</u>	<u>1,629,239</u>		
<b>(b) Provision for costs of debt</b>				
	<i>Stage 1</i> HK\$	<i>Stage 2</i> HK\$	<i>Stage 3</i> HK\$	<i>Total</i> HK\$
At 31 December 2024	<u>(1,741,277)</u>	<u>-</u>	<u>-</u>	<u>(1,741,277)</u>
At 30 June 2025	<u>(1,825,644)</u>	<u>-</u>	<u>-</u>	<u>(1,825,644)</u>

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

**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**8 Statutory deposits**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
The Hong Kong Securities Clearing Company Limited		
- Admission fee deposit	50,000	50,000
- Guarantee fund deposit	1,051,629	5,398,103
- Mainland security deposit	523,807	429,701
SEHK		
- Fidelity fund and compensation fund deposit	100,000	100,000
- Stamp duty deposit	75,000	75,000
HKFE		
- Reserve fund deposit	15,127,501	55,874,182
- Client deposit	229,472,278	236,751,419
- House deposit	15,246,039	19,711,054
SEOCH		
- Reserve fund deposit	1,751,163	3,541,188
- House deposit	35,725,746	33,322,779
	<u>299,123,163</u>	<u>355,253,426</u>

**9 Deposits and other assets**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
<b>Non-current</b>		
Rental and other deposits	1,400,249	1,479,701
	<u>1,400,249</u>	<u>1,479,701</u>
<b>Current</b>		
Prepayments and other deposits	4,177,540	6,211,331
	<u>4,177,540</u>	<u>6,211,331</u>

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

**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

**10 Amount due from / to broker**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
<b>Amount due from broker</b>		
Deposit	14,029,620	426,753,288
Receivables arising from the unsettled trade of securities	1,968,684	-
	<u>15,998,304</u>	<u>426,753,288</u>
<b>Amount due to broker</b>		
Payables arising from the unsettled trade of securities	-	(312,543,413)
	<u>-</u>	<u>(312,543,413)</u>

**11 Amounts due from immediate holding company**

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

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

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
<b>Financial assets</b>		
Loans	326,659,793	-
Equity securities	39,757,539	124,350,912
Debt securities	661,325,796	376,947,154
Exchange-traded funds	3,612,096	19,092,280
Unlisted investment funds (note a)	673,904,026	400,851,255
Forward contracts (note b)	-	3,622,085
Derivative warrants	15,207,500	-
Exchange-traded stock option	619,910	883,934
Convertible notes	14,656,187	13,898,031
	<u>1,735,742,847</u>	<u>939,645,651</u>



**KOREA INVESTMENT AND SECURITIES ASIA LIMITED**  
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**NOTES TO THE INTERIM FINANCIAL REPORTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

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

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
<b>Financial liabilities</b>		
Forward contracts (note b)	(7,631,055)	-
Derivative warrants	(26,591,200)	(21,347,142)
Exchange-traded stock option	(939,325)	(3,863,340)
	<u>(35,161,580)</u>	<u>(25,210,482)</u>

Note a):

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

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

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

Note b):

During the reporting period, the company has entered into various forward currency contracts to manage its exchange rate exposures on foreign currency assets and liabilities. The total notional amounts of the forward currency contracts hold by the Company as of period end is HK\$336,353,042 (2024: HK\$165,941,360). Management selected not to adopt hedge accounting for the foreign currencies transactions.

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**13 Cash and cash equivalents**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
Bank balances at authorised financial institutions:		
(i) General accounts		
- Cash	129,736,674	221,551,470
- Time deposit with original maturity of 3 months or less	738,640,985	709,134,078
(ii) Segregated accounts	50,765,562	43,204,833
Cash and bank balances	919,143,221	973,890,381
Less: Client's money in segregated trust accounts	(50,765,562)	(43,204,833)
	868,377,659	930,685,548
Deposits at market money funds	1,164,268,335	1,631,734,919
	2,032,645,994	2,562,420,467

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**14 Trade and other receivables**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
Accounts receivable arising from the ordinary course of business of dealing in securities:		
Clients		
- third parties	2,641,099	481,008
- intermediate holding company	27,423,423	1,187,690
Clearing house	927,268	34,094,419
	<hr/>	<hr/>
	30,991,790	35,763,117
Other receivables, deposits and prepayments	13,739,051	14,484,989
	<hr/>	<hr/>
	<u>44,730,841</u>	<u>50,248,106</u>

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

**15 Trade and other payables**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
Accounts payable arising from the ordinary course of business of dealing in securities and futures:		
Clients		
- third parties	22,139,278	22,657,026
- intermediate holding company	266,715,819	259,329,949
Clearing house	12,457,877	387,732
	<hr/>	<hr/>
	<u>301,312,974</u>	<u>282,374,707</u>

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**16 Income tax in statement of financial position**

	At 30 June 2025 HK\$ (Unaudited)	At 31 December 2024 HK\$ (Audited)
<u>Current tax:</u>		
Provision for Hong Kong Profits Tax for the period	2,745,736	-
Provision for Pillar Two income taxes for the period	7,168,771	-
	<hr/>	<hr/>
Income tax payable	9,914,507	-
	<hr/>	<hr/>

**17 Fee income**

	Six months ended 30 June 2025 HK\$ (Unaudited)	2024 HK\$ (Unaudited)
Commission income from client referral	8,961,263	10,934,272
Commission income from securities and futures dealing	3,179,025	3,108,190
Commission income from underwriting and placement	9,713,363	9,063,866
Advisory income	597,529	9,126,591
	<hr/>	<hr/>
	22,451,180	32,232,919
	<hr/>	<hr/>

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

	Six months ended 30 June	
	2025	2024
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Net loss on unlisted loans	(1,645,617)	(2,793,590)
Net gain on equity securities	13,745,820	86,524,552
Net gain/(loss) on exchange traded funds	217,286	(2,005,481)
Net gain on unlisted funds	16,645,825	5,289,160
Net loss on convertible notes	-	(981,007)
Net loss on bonds	(36,523,070)	(3,924,268)
Net loss on derivatives	(32,685,571)	(64,104,143)
	<u>(40,245,327)</u>	<u>18,005,223</u>

**19 Interest income**

	Six months ended 30 June	
	2025	2024
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Interest income calculated using the effective interest method	8,330,621	19,022,395
Interest income from financial assets measured at fair value through profit or loss	28,496,332	9,482,968
	<u>36,826,953</u>	<u>28,505,363</u>
Other interest income from bank and other authorised institutions	<u>17,252,904</u>	<u>45,384,909</u>

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**20 Taxation**

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

	Six months ended 30 June	
	2025	2024
	HK\$	HK\$
	(Unaudited)	(Unaudited)
Current tax expense		
- Hong Kong Profits Tax for the period	2,745,736	1,993,026
- Pillar Two income taxes	7,168,771	-
- Withholding tax	321,816	956,208
	<u>10,236,323</u>	<u>2,949,234</u>
Deferred taxation	-	71,762
	<u>10,236,323</u>	<u>3,020,996</u>

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

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development. From 1 January 2025, the Company is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions. Under these rules, a top-up tax liability is expected to arise since the effective tax rate of the Company's operations in Hong Kong is expected to be lower than 15%, driven primarily by income from tax-exempt instruments.

The Company has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

**21 Related party transactions**

**(a) Commission income from client referral**

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

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**21 Related party transactions (Continued)**

During the six months ended 30 June 2025, an amount of HK\$8,961,263 was earned from Korea Investment & Securities Company Limited (for the first half of 2024: HK\$10,934,272), with receivable of HK\$1,818,331 as at 30 June 2025 (As of 31 December 2024: HK\$646,829).

**(b) Commission income/expenditure from acquisition financing**

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

During the six months ended 30 June 2025, no commission was earned from Korea Investment & Securities Company Limited (for the first half of 2024: HK\$ Nil).

**(c) Commission income from underwriting and placement**

The Company is providing underwriting and placement services to Korea Investment & Securities Company Limited and charges commission income based on the trades.

During the six months ended 30 June 2025, no commission was earned from Korea Investment & Securities Company Limited (for the first half of 2024: HK\$1,970,419). No outstanding receivable as at 30 June 2025 and 31 December 2024.

**(d) Commission income from securities and futures dealing**

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

**22 Share capital**

**Ordinary shares, issued and fully paid:**

	Number of shares	Share capital HK\$
At 31 December 2024 (Audited) and 30 June 2025 (Unaudited)	475,000,000	3,700,321,900

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

**23 Commitments**

The outstanding capital commitment on the fund investments and on Investment in associate not provided for in the financial statements at 30 June 2025 is approximately HK\$404.2m (31 December 2024: HK\$635.4m).

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**24 Fair value measurement of financial instruments**

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

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

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

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

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
<b>At 30 June 2025</b>				
(Unaudited)				
<b>Assets</b>				
<i>Financial assets at fair value through profit or loss</i>				
- Loans	-	-	326,659,793	326,659,793
- Equity securities	31,908,030	-	7,849,509	39,757,539
- Debt securities	-	661,325,796	-	661,325,796
- Exchange traded funds	3,612,096	-	-	3,612,096
- Fund	-	-	673,904,026	673,904,026
- Exchange traded option	619,910	-	-	619,910
- Derivative warrants	15,207,500	-	-	15,207,500
- Convertible notes	-	-	14,656,187	14,656,187
	<u>51,347,536</u>	<u>661,325,796</u>	<u>1,023,069,515</u>	<u>1,735,742,847</u>
<b>Liabilities</b>				
<i>Financial liabilities at fair value through profit or loss</i>				
- Forward contracts	-	(7,631,055)	-	(7,631,055)
- Exchange traded option	(939,325)	-	-	(939,325)
- Derivative warrants	(26,591,200)	-	-	(26,591,200)
	<u>(27,530,525)</u>	<u>(7,631,055)</u>	<u>-</u>	<u>(35,161,580)</u>



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**24 Fair value measurement of financial instruments (Continued)**

	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
<b>At 31 December 2024</b> (Audited)				
<b>Assets</b>				
<i>Financial assets at fair value through profit or loss</i>				
- Equity securities	116,585,488	-	7,765,424	124,350,912
- Debt securities	-	376,947,154	-	376,947,154
- Exchange traded funds	19,092,280	-	-	19,092,280
- Fund	-	-	400,851,255	400,851,255
- Forward contracts	-	3,622,085	-	3,622,085
- Exchange traded stock options	883,934	-	-	883,934
- Convertible notes	-	-	13,898,031	13,898,031
	<u>136,561,702</u>	<u>380,569,239</u>	<u>422,514,710</u>	<u>939,645,651</u>
<b>Liabilities</b>				
<i>Financial liabilities at fair value through profit or loss</i>				
- Exchange traded stock options	(3,863,340)	-	-	(3,863,340)
- Derivative warrants	(21,347,142)	-	-	(21,347,142)
	<u>(25,210,482)</u>	<u>-</u>	<u>-</u>	<u>(25,210,482)</u>

*Valuation techniques and inputs used in Level 2 fair value measurements*

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

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

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**24 Fair value measurement of financial instruments (Continued)**

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

	<i>Fair value at 30 June 2025 HK\$ (Unaudited)</i>	<i>Fair value at 31 December 2024 HK\$ (Audited)</i>	<i>Valuation technique</i>	<i>Unobservable input</i>	<i>Range for unobservable input</i>	<i>Sensitivity to changes in unobservable input</i>
Unlisted investment funds	673,904,026	400,851,255	Net asset value	Liquidity lock-up/ no right of withdrawal	N/A	The estimated fair value would decrease if the liquidity lock-up discount is higher
Unlisted loans	326,659,793	-	The present value of cash flows discounted	Discount rate	6.41% p.a.	The estimated fair value would increase if discount rate decrease
Unlisted equity securities	7,849,509	7,765,424	Revenue multiple	Revenue multiple	16.1	The estimated fair value would increase if revenue multiple increase
Unlisted convertible notes	14,656,187	13,898,031	Binomial option pricing model	Discount Rate	13.3%	The estimated fair value would increase if discount rate decrease
	<u>1,023,069,515</u>	<u>422,514,710</u>				

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

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

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

The convertible notes held by the Company is a Level 3 investments which the Company values based on the binomial option pricing model, discounted at bond yield derived by the United States risk-free rate and option-adjusted spread of the bonds with CCC credit rating. The fair value of conversion option embedded in the convertible notes is determined using the binomial lattice model and the significant unobservable input used in the fair value measurement is expected volatility.

For period ended 30 June 2025 and 2024, there were no transfers between levels.

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**24 Fair value measurement of financial instruments (Continued)**

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

	<i>Unlisted investment funds</i>	<i>Unlisted loans</i>	<i>Unlisted equity securities</i>	<i>Unlisted convertible notes</i>	<i>Total</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
2025 (Unaudited)					
At 1 January	400,851,255	-	7,765,424	13,898,031	422,514,710
Additions	239,218,175	394,364,047	-	-	633,582,222
Disposals	-	(78,362,710)	-	-	(78,362,710)
Accrued interests, net	-	6,050,090	-	629,014	6,679,104
Unrealised gain recognised, net	16,801,207	-	-	-	16,801,207
Exchange gain, net	17,033,389	4,608,366	84,085	129,142	21,854,982
At 30 June	<u>673,904,026</u>	<u>326,659,793</u>	<u>7,849,509</u>	<u>14,656,187</u>	<u>1,023,069,515</u>
Total gain/(loss) for the period	<u>16,645,825</u>	<u>(1,645,617)</u>	<u>-</u>	<u>-</u>	<u>15,000,208</u>
	<i>Unlisted investment funds</i>	<i>Unlisted loans</i>	<i>Unlisted equity securities</i>	<i>Unlisted convertible notes</i>	<i>Total</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
2024 (Unaudited)					
At 1 January	255,960,993	476,986,840	7,811,677	13,101,953	753,861,463
Additions	41,464,830	-	-	-	41,464,830
Disposals	(8,825,813)	(470,803,354)	-	-	(479,629,167)
Accrued interests, net	-	4,292,141	-	778,103	5,070,244
Unrealised gain/(loss) recognised, net	5,289,160	(2,793,590)	-	(981,007)	1,514,563
Exchange loss, net	(3,192,245)	(7,682,037)	(2,824)	(5,625)	(10,882,731)
At 30 June	<u>290,696,925</u>	<u>-</u>	<u>7,808,853</u>	<u>12,893,424</u>	<u>311,399,202</u>
Total gain/(loss) for the period	<u>5,289,160</u>	<u>(2,793,590)</u>	<u>-</u>	<u>(981,007)</u>	<u>1,514,563</u>

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**25 Subsequent event**

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

**26 Comparative figure**

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