CSC HOLDINGS LIMITED
中策資本控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 235)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

The Board of Directors (the "**Board**") of CSC Holdings Limited (the "**Company**") hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 together with comparative figures as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	**2026** ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
Revenue	*3*	**21,031**	20,205
Interest income		**13,078**	19,250
Commission, handling income and others		**1,118**	955
Trading income		**6,835**	–
Purchase and related expenses		**(6,355)**	–
Other income	*5*	**14,758**	15,525
Other gain and loss, net		**(1,775)**	687
Staff costs		**(18,683)**	(17,736)
Other expenses		**(24,375)**	(17,833)
Net (loss) gain on financial assets at fair value through profit or loss	*6*	**(1,220)**	292
Provision for impairment losses under expected credit loss model, net of reversal	*9*	**(6,206)**	(10,896)
Share of results of an associate		**749**	–
Finance costs	*7*	**(1,312)**	(570)

	Notes	Six months ended 30 June **2026** ***HK$'000*** **(Unaudited)**	 2025 *HK$'000* (Unaudited)
Loss before tax		**(23,388)**	(10,326)
Income tax credit (expense)	*8*	**132**	(1,486)
Loss for the period	*9*	**(23,256)**	(11,812)
Other comprehensive (expense) income			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive expense of an associate		**(75)**	–
Exchange differences arising on translation of an associate		**(4,285)**	–
Exchange differences arising on translation of financial statements of foreign operations		**610**	(499)
Other comprehensive expense for the period		**(3,750)**	(499)
Total comprehensive expense for the period		**(27,006)**	(12,311)
Loss for the period attributable to:			
Owners of the Company		**(21,826)**	(11,812)
Non-controlling interests		**(1,430)**	–
		(23,256)	(11,812)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(25,576)**	(12,311)
Non-controlling interests		**(1,430)**	–
		(27,006)	(12,311)
Loss per share attributable to owners of the Company			
– Basic	*11*	**HK(0.11) cent**	HK(0.06) cent

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment		**9,019**	11,053
Right-of-use assets		**10,716**	15,698
Goodwill		**11,954**	8,000
Club debentures		**1,453**	1,453
Interest in an associate	*12*	**98,235**	96,658
Deferred tax assets		**998**	860
Total non-current assets		**132,375**	133,722
Current assets			
Debt instruments at fair value through other comprehensive income	*13*	**–**	–
Loan receivables	*14*	**132,003**	300,876
Trade and other receivables	*15*	**113,751**	89,120
Income tax recoverable		**195**	195
Financial assets at fair value through profit or loss	*16*	**305,802**	23,808
Bank balances and cash		**1,613,862**	1,865,915
Total current assets		**2,165,613**	2,279,914
Current liabilities			
Trade and other payables	*17*	**107,021**	182,068
Financial liabilities designated at fair value through profit or loss	*18*	**4,733**	14,800
Lease liabilities		**6,776**	9,989
Total current liabilities		**118,530**	206,857
Net current assets		**2,047,083**	2,073,057
Total assets less current liabilities		**2,179,458**	2,206,779

	At **30 June 2026** *HK$'000* **(Unaudited)**	At 31 December 2025 *HK$'000* (Audited)
Non-current liability		
Lease liabilities	**3,088**	5,032
Net assets	**2,176,370**	2,201,747
Capital and reserves		
Share capital	**3,216,110**	3,216,110
Reserves	**(1,039,939)**	(1,014,363)
Equity attributable to owners of the Company	**2,176,171**	2,201,747
Non-controlling interests	**199**	–
Total equity	**2,176,370**	2,201,747

Notes:

1. **Basis of preparation**

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "*Interim Financial Reporting*" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

The financial information relating to the year ended 31 December 2025 that is included in the condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that 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 (Chapter 622 of the Laws of Hong Kong) ("**Hong Kong Companies Ordinance**") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong 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 sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK$**") which is the functional currency of the Company. All values are rounded to the nearest thousand (HK$'000) unless otherwise indicated.

2. **Accounting policies**

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair value.

Other than additional/change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on 1 January 2026 for the preparation of the condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

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

3. Revenue

An analysis of the Group's revenue for the period is as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Trading of limestone	**6,835**	–
Commission, handling income and others from securities brokerage and asset management business	**1,118**	955
Revenue from contracts with customers	**7,953**	955
Interest income from securities margin financing business	**2,577**	4,084
Interest income from money lending business	**8,421**	15,166
Interest income from financial assets at fair value through profit or loss ("**FVTPL**")	**2,080**	–
	21,031	20,205

During the six months ended 30 June 2026 and 2025, the revenue is recognised at a point in time except for interest income which fall outside the scope of HKFRS 15.

4. Segment information

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the chief operating decision maker, for the purposes of allocating resources and assessment of segment performance. This is also the basis upon which the Group is arranged and organised.

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

(i) Investment in securities
(ii) Trading
(iii) Money lending
(iv) Securities brokerage and asset management *(Note)*

Note: During the current interim period, the Group has expanded its business to include asset management and renamed the securities brokerage segment into securities brokerage and asset management segment to reflect the new service offerings.

Segment revenue and results

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

	Investment in securities *HK$'000* (Unaudited)	Trading *HK$'000* (Unaudited)	Money lending *HK$'000* (Unaudited)	Securities brokerage and asset management *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Six months ended 30 June 2026					
Segment Revenue					
External sales/sources	**2,080**	**6,835**	**8,421**	**3,695**	**21,031**
Results					
Segment results	**927**	**3,867**	**1,152**	**(2,182)**	**3,764**
Other income					**9,638**
Other loss					**(1,521)**
Central administrative expenses					**(34,706)**
Share of results of an associate					**749**
Finance costs					**(1,312)**
Loss before tax					**(23,388)**
Income tax credit					**132**
Loss for the period					**(23,256)**
Six months ended 30 June 2025					
Segment Revenue					
External sales/sources	–	–	15,166	5,039	20,205
Results					
Segment results	341	3,957	7,139	1,844	13,281
Other income					8,165
Other gain					687
Central administrative expenses					(31,889)
Finance costs					(570)
Loss before tax					(10,326)
Income tax expense					(1,486)
Loss for the period					(11,812)

Segment profit (loss) represents profit earned/loss incurred by each segment without allocation of certain other income, certain other (loss) gain, central administrative expenses, share of results of an associate, finance costs and income tax credit (expense).

5. Other income

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Bank interest income	**11,845**	14,755
Others	**2,913**	770
	14,758	15,525

6. Net (loss) gain on financial assets at fair value through profit or loss

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Unrealised (loss) gain on financial assets at FVTPL	**(1,204)**	53
Net realised (loss) gain on sales of financial assets at FVTPL	**(16)**	239
	(1,220)	292

7. Finance costs

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on lease liabilities	**317**	570
Others	**995**	–
	1,312	570

8. Income tax credit (expense)

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Tax credit (charge) comprises:		
Current tax	**(6)**	(6)
Deferred tax	**138**	(1,480)
Income tax credit (expense) recognised in profit or loss	**132**	(1,486)

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

9. Loss for the period

Loss for the period has been arrived at after charging the following items:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Provision for impairment loss on loan receivables	**6,206**	10,310
Provision for impairment loss on trade receivables	**–**	586
Total impairment losses	**6,206**	10,896
Depreciation of property, plant and equipment	**1,827**	1,359
Depreciation of right-of-use assets	**4,766**	5,060

10. Dividend

No dividends were paid, declared or proposed during the current interim period (30 June 2025: nil). The directors of the Company have determined that no dividend will be paid in respect of the current interim period.

11. Loss per share

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

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Loss:		
Loss for the period attributable to owners of the Company for the purpose of calculating basic loss per share	**21,826**	11,812

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**20,385,254**	20,385,254

Diluted loss per share for the six months ended 30 June 2026 and 2025 are not presented as there were no dilutive potential ordinary shares in issue during both periods.

12. Interest in an associate

	At 30 June 2026	At 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Cost of listed investment in an associate	**104,640**	99,452
Share of post-acquisition losses and other comprehensive income	**(1,148)**	(1,822)
Exchange adjustment	**(5,257)**	(972)
	98,235	96,658

13. Debt instruments at fair value through other comprehensive income

At 30 June 2026 and 31 December 2025, the Group's debt instruments at fair value through other comprehensive income ("**FVTOCI**"), listed overseas with fixed interest at 9.50% per annum and contractual maturity date on 29 March 2024, were stated at fair values determined based on the quoted market closing price.

14. Loan receivables

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Fixed-rate loan receivables	**211,803**	486,800
Less: impairment allowance	**(79,800)**	(185,924)
	132,003	300,876
Analysed as:		
Current portion	**132,003**	300,876
Analysed as:		
Secured	**132,003**	292,552
Unsecured	**–**	8,324
	132,003	300,876

At 30 June 2026, the range of interest rates and maturity dates attributed to the Group's performing loan receivables were 8% to 10% (31 December 2025: 8% to 13%) per annum and from 28 October 2026 to 5 May 2027 (31 December 2025: 11 February 2026 to 28 October 2026) respectively.

An analysis of the Group's fixed-rate loan receivables by their respective contractual maturity dates is as follows:

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Fixed-rate loan receivables:		
Within one year or on demand	**132,003**	300,876

The Group provided impairment allowance of HK$6,206,000 (30 June 2025: HK$10,310,000) on loan receivables for the current interim period.

15. Trade and other receivables

	At 30 June 2026 *HK$'000* **(Unaudited)**	At 31 December 2025 *HK$'000* (Audited)
Trade receivables of securities brokerage business:		
– Cash clients *(Note (i))*	**376**	425
– Margin clients *(Note (i))*	**98,262**	77,624
– Hong Kong Securities Clearing Company Limited ("**HKSCC**") *(Note (i))*	**–**	139
	98,638	78,188
Other receivables *(Note (ii))*	**15,113**	10,932
	113,751	89,120

Notes:

(i) For the securities brokerage business, the normal settlement terms of trade receivables from cash clients and HKSCC are two trading days after trade date. The trade receivables from cash and margin clients and HKSCC with carrying amounts totalling HK$98,638,000 (31 December 2025: HK$78,188,000) were not past due at the end of the reporting period.

Margin clients are required to pledge securities as collateral to the Group in order to obtain the credit facilities for securities trading. The amount of credit facilities granted to them individually is determined based on a discount on the market value of the securities pledged to the Group. Any excess in lending ratio will trigger a margin call for which the client concerned has to make good the shortfall. At 30 June 2026, the market value of the securities pledged by the clients to the Group as collateral for margin financing amounted to HK$2,061,958,000 (31 December 2025: HK$1,490,608,000).

(ii) Included in other receivables were unrestricted deposits of HK$1,370,000 (31 December 2025: HK$1,377,000) placed with securities brokers. The remaining balance of other receivables represented mainly interest receivables, prepayment and deposits for office use.

The Group did not provide impairment allowance (30 June 2025: provided impairment allowance of HK$586,000) on trade and other receivables (30 June 2025: trade receivables) for the current interim period.

16. Financial assets at fair value through profit or loss

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Unlisted investments, at fair value:		
– Unlisted equity securities *(Note (i))*	**9,009**	9,009
– Unlisted equity-linked fixed coupon notes *(Note (ii))*	**296,793**	14,799
	305,802	23,808
Analysed as:		
Current portion	**305,802**	23,808

Notes:

(i) The fair values of the unlisted equity securities were determined with reference to the net asset value of the unlisted equity.

(ii) The unlisted equity-linked fixed coupon notes are classified as current asset as the maturity of the notes are within twelve months from the end of the reporting period. The fair values of the unlisted equity-linked fixed coupon notes were determined with reference to the quoted price in the over-the-counter markets. As at 30 June 2026, unlisted equity-linked fixed coupon notes of HK$4,717,000 and HK$292,076,000 (31 December 2025: HK$14,799,000 and nil) were held for hedging of the risk of economic exposure of the unlisted equity-linked fixed coupon notes issued by the Group to its customers (Note 18) and held for proprietary investment purposes, respectively.

17. Trade and other payables

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Trade payables of securities brokerage business:		
– Cash clients *(Note)*	**71,306**	52,576
– Margin clients *(Note)*	**23,186**	120,310
– HKSCC *(Note)*	**922**	–
	95,414	172,886
Accrued charges and other payables	**11,607**	9,182
	107,021	182,068

Note: For securities brokerage business, the normal settlement terms of trade payables to cash and margin clients and HKSCC are two trading days after trade date.

18. Financial liabilities designated at fair value through profit or loss

	At 30 June 2026	At 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Liabilities issued, at fair value:		
– Unlisted equity-linked fixed coupon notes *(Note)*	**4,733**	14,800
Analysed as:		
Current portion	**4,733**	14,800

Note: Unlisted equity-linked fixed coupon notes are issued in the form of fixed coupon notes of which the payouts at maturity are linked to the values of certain underlying listed equity investments. The risk of economic exposure on these fixed coupon notes is primarily hedged using financial assets as detailed in Note 16.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (30 June 2025: nil).

BUSINESS REVIEW

During the six months ended 30 June 2026 ("**HY2026**"), the Group continued to principally engage in the businesses of investment in securities, trading, money lending as well as securities brokerage. Concurrently, the Group expanded its service offerings to include asset management during the period under review, with these activities now operating under the securities brokerage and asset management segment.

During HY2026, the Group continued to navigate its operations through a complex global economic landscape and ongoing geopolitical tensions. Despite these external challenges, the Group successfully resumed its trading business, which effectively established a fresh revenue stream and supported the overall turnover for HY2026. In the meantime, the Group remained committed to driving its strategic expansion in Southeast Asia to participate in the management of the banking asset, Citystate Savings Bank, Inc. ("**Citystate**"), following the completion of the acquisition in September 2025. To further support this regional growth, the Group completed the initial subscription of equity interest in AccX Limited and its subsidiaries ("**AccX Group**") during the period under review. This milestone aligns with the Group's ongoing initiative to expand its financial services sector, create strong regional synergies, and build a more comprehensive financial services portfolio for long-term growth. Throughout the review period, the Group remained steadfastly focused on reinforcing its business foundations, optimising resource allocation, and driving long-term strategic growth through a cautious and disciplined management approach.

For HY2026, the Group recorded a slight increase in revenue by 4% to HK$21,031,000 (30 June 2025: HK$20,205,000), mainly due to the increase in income from trading business of HK$6,835,000 which has been resumed during period under review though it was partly offset by the decrease in interest income from the money lending operation. However, the Group recorded an increase in loss attributable to owners of the Company to HK$21,826,000 (30 June 2025: HK$11,812,000). Such increase in loss was mainly the combined effect of (i) the decrease in the operating profit, after provision of expected credit loss ("**ECL**"), recorded by the money lending business to HK$1,152,000 (30 June 2025: HK$7,139,000); and (ii) the increase in other expenses to HK$24,375,000 (30 June 2025: HK$17,833,000), which was primarily driven by additional expenses incurred for the purposes of business development and compliance. The basic loss per share attributable to owners of the Company for the interim period was HK0.11 cent (30 June 2025: HK0.06 cent).

Investment in Securities

The Group generally acquires securities listed on the Hong Kong Stock Exchange or other recognised stock exchanges and over-the-counter markets with good liquidity that can facilitate swift execution of securities transactions, and sometimes directly from target companies.

For making investment or divestment decision on securities of an individual target company, references will usually be made to the latest financial information, news and announcements issued by the target company, investment analysis reports that the Company has access to, as well as industry or macroeconomic news. Meanwhile, for making investment decisions on equity-linked fixed coupon notes through the over-the-counter market to optimise capital returns under volatile market conditions, the Group primarily evaluates the creditworthiness of the issuing financial institutions, the coupon rates, and the conversion terms instead of individual corporate financial disclosures.

When deciding on acquiring securities to be held for long-term purpose, particular emphasis will be placed on the past financial performance of the target company including its sales and profit growth, financial healthiness, dividend policy, business prospects, industry and macroeconomic outlook. When deciding on acquiring securities to be held other than for long-term purpose, in addition to the factors mentioned, references will also be made to prevailing market sentiments in different sectors of the investment markets.

In terms of return, for long-term securities investments, the Company mainly emphasises on return of investment in the form of capital appreciation and dividend/interest income. While for securities investments held other than for long-term holding, the Company mainly emphasises on return of investment in the form of trading gains, particularly for unlisted equity-linked notes held for interest income until settlement, the Company mainly emphasises on obtaining stable and predictable fixed coupon returns.

At 30 June 2026, the Group's securities investments comprised (i) a financial asset at FVTPL portfolio valued at HK$301,085,000 in total including unlisted equity-linked fixed coupon notes ("**FCN**") valued at HK$292,076,000 and unlisted equity securities in the United States of HK$9,009,000 (31 December 2025: HK$9,009,000 comprised only unlisted equity securities in the United States of HK$9,009,000); and (ii) a debt instrument at FVTOCI portfolio comprising debt securities listed on overseas stock exchange which had been fully impaired during 2024 with no carrying value (31 December 2025: nil). As a whole, the Group's securities investments recorded a revenue of HK$2,080,000 (30 June 2025: nil) and a profit of HK$927,000 (30 June 2025: HK$341,000).

Financial assets at FVTPL

At 30 June 2026, the Group's financial asset at FVTPL portfolio of HK$301,085,000 measured at market/fair value, comprised (i) equity securities of an unlisted banking company operating in the United States of HK$9,009,000; and (ii) unlisted equity-linked FCN issued by creditworthy financial institutions of HK$292,076,000. During HY2026, the portfolio generated a revenue of HK$2,080,000 (30 June 2025: nil) representing interest income from unlisted equity-linked FCN. The Group recognised a loss on financial assets at FVTPL of HK$1,204,000 which represented unrealised loss attributed to the decrease in fair value of the Group's unlisted equity-linked FCN portfolio held at the period end (30 June 2025: net gain of HK$292,000, which comprised (i) unrealised gain of HK$53,000 attributed to the increase in fair value of the Group's listed equity securities portfolio at the period end; and (ii) net realised gain of HK$239,000 attributed to the net gain on sales of listed equity securities during the period).

During the period under review, the Group invested HK$368,160,000 unlisted equity-linked FCN, of which HK$74,880,000 was early redeemed. These unlisted equity-linked FCN were acquired in the over-the-counter markets with the underlying assets covering liquid listed equity securities and carried fixed coupon rates ranging from 10.00% to 22.91% per annum, with all maturity dates falling within one year from the end of the reporting period.

The Group is committed to closely monitoring the financial performance of its financial asset at FVTPL portfolio through making investment and divestment decisions on individual securities from time to time based on, amongst others, the internal assessments on prospects of the individual securities and publicly available information of the investee companies.

Debt instruments at FVTOCI

At 30 June 2026, the Group's debt instrument at FVTOCI portfolio was measured at market/fair value. During HY2026, the Group had not acquired or disposed of any debt securities and the debt securities held by the Group were corporate bonds issued by a property company based in the Chinese Mainland. According to the contractual maturity profile of the debt securities, the debt instruments at FVTOCI were in default during 2024 and were fully impaired with no carrying amount (31 December 2025: nil). During HY2026, the Group's debt instrument at FVTOCI portfolio did not generate any revenue (30 June 2025: nil).

For HY2026, there had been no significant change in the market/fair value of the debt instrument at FVTOCI portfolio from the prior year end and no fair value change was recognised (30 June 2025: nil).

For HY2026, there was no significant change in the expected loss given default of the debt instruments at FVTOCI portfolio (30 June 2025: nil). The expected loss given default of the debt instruments had increased owing to the defaults of the bond issuer in making interest and principal payments for its indebtedness which ultimately affected the collection of contractual cash flows from its bonds in prior years. The Group had not recognised any reversal of impairment loss on debt instruments at FVTOCI since its full impairment in 2024.

The Group performs impairment assessment on the debt instruments held under the ECL model. The measurement of ECL is a function of the probability of default and loss given default (i.e., the magnitude of the loss if there is a default), with the assessments of the probability of default and loss given default are based on historical data and forward-looking information. In determining the ECL on the Group's debt instruments for the period, the management had taken into account factors including the defaults of the bond issuer in making payments of interest and principal for its indebtedness, and forward-looking information including the future macroeconomic conditions affecting the operations of the bond issuer. There had been no change in the method used in determining the impairment loss on debt instruments at FVTOCI from the prior financial year.

Trading

During HY2026, the Group successfully resumed its trading operation which had been suspended for several years. Operating through Max Talent Investments Limited, a wholly-owned subsidiary of the Company, the Group successfully restarted its commodity trading business with an initial focus on the trading of high-purity limestone. For HY2026, this newly resumed business achieved a strong momentum, generating a fresh revenue stream of HK$6,835,000 (30 June 2025: nil). However, despite the significant growth in revenue, the segment profit decreased slightly by 2% to HK$3,867,000 (30 June 2025: HK$3,957,000). This solid performance was primarily driven by the healthy profit margin generated from the newly resumed trading operations, which successfully offset a slight decrease in the interest income earned from the pledged bank deposits.

During HY2026, the Group's strategic entry into the trading of limestone was driven by the compelling demand for high-purity and low-silica limestone in fast-growing emerging economies. Recognising the structural supply gap for such premium industrial materials, the Group focuses on sourcing high-purity limestone that meets rigorous industrial standards. This repositioning allows the Group to effectively capture sustainable market opportunities.

Money Lending

The Group's money lending business is conducted through CS Credit Limited, U Credit (HK) Limited and Chap Yik Limited, all are wholly-owned subsidiaries of the Company, and are licensed to conduct money lending activities under the Money Lenders Ordinance. The Group aims to make loans that could be covered by sufficient collateral, preferably commercial and residential properties in Hong Kong, and to borrowers with good credit history. The Group has a stable source of loan deals from its own business network and marketing agents.

For HY2026, the operation recorded a decrease in revenue by 44% to HK$8,421,000 (30 June 2025: HK$15,166,000) and recorded a decrease in profit by 84% to HK$1,152,000 (30 June 2025: HK$7,139,000). The decrease in revenue and profit for HY2026 was the result of the reduction in the average amount of performing loans advanced to borrowers during HY2026 arising from the repayment of loans by borrowers under the term of the corresponding loans.

The Group performs impairment assessment on loan receivables under the ECL model. The measurement of ECL is a function of the probability of default, the loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default (i.e., the magnitude of the loss after accounting for the value of the collateral if there is a default). The assessments of the probability of default and loss given default are based on historical data and forward-looking information, whilst the valuations of the properties and assets pledged to the Group as collateral are, where appropriate, performed by independent professional valuers engaged by the Group at each reporting date for the purpose of determining ECL. In accordance with the Group's loan impairment policy, the amount of ECL is updated at each reporting date to reflect the changes in credit risk on loan receivables since initial recognition. At the period end, the impairment allowance recognised primarily represented the credit risk involved in collectability of certain default and non-default loans determined under the Group's loan impairment policy, with reference to factors including the credit history and financial conditions of the borrowers, the ageing of the overdue balances, the realisation value of the collateral pledged to the Group, and forward-looking information including the future macroeconomic conditions affecting the borrowers.

The Group has a system in place to closely monitor the recoverability of its loan portfolio, its credit monitoring measures include regular collateral value review against market information and regular communication with the borrowers of their financial positions, through which the Group will be able to keep updated with the latest credit profile and risk associated with each individual borrower and could take appropriate actions for loan recovery at the earliest time. If circumstances require, the Group will commence legal actions against the borrowers for recovery of the overdue loans and take possession of the collateral pledged.

At 30 June 2026, the balance of impairment allowance decreased by 57% or HK$106,124,000 to HK$79,800,000 (31 December 2025: HK$185,924,000), which comprised a sum of HK$8,772,000 being impairment provision for the current period, a sum of HK$2,566,000 being reversal of impairment provision owing to settlement of loans and improvement in credit quality of the borrowers, and a sum of HK$112,330,000 being written off as the related loans were fully-impaired. There had been no change in the method used in determining the impairment allowance on loan receivables from the prior financial year.

The gross carrying amount of the Group's loan portfolio amounted to HK$211,803,000 (31 December 2025: HK$486,800,000), decreased by 56% or HK$274,997,000 from the prior year end as certain loans were settled and written off during the period under review. The net carrying amount of the loan portfolio, after impairment allowance, amounted to HK$132,003,000 (31 December 2025: HK$300,876,000) at the period end, and details of the portfolio are as follows:

Category of borrowers	**Approximate weighting to the carrying amount of the Group's loan portfolio**	**Interest rate per annum**	**Maturity**
	%	%	
Individual	5.20	12.00 – 13.00	Within one year
Corporate	94.80	8.00 – 15.00	Within one year
	100.00		

At 30 June 2026, 100% (31 December 2025: 97%) of the carrying amount of the loan portfolio (after impairment allowance) was secured by collateral including properties in Hong Kong, listed equity securities and debt securities, with none (31 December 2025: 3%) being unsecured. At the period end, all the loans made to borrowers of carrying amount of HK$132,003,000 (31 December 2025: HK$300,876,000) were term loans and due within one year. The loan(s) made to the largest borrower and the five largest borrowers represented 15% (31 December 2025: 39%) and 70% (31 December 2025: 74%) respectively of the Group's loan portfolio (on a net of impairment allowance basis) at the period end. At 30 June 2026, loans were granted to 10 (31 December 2025: 14) borrowers who are Hong Kong residents and companies incorporated in Hong Kong, British Virgin Islands and Seychelles.

Securities Brokerage and Asset Management

For HY2026, the Group expanded its business to include asset management and updated its segmental classification to securities brokerage and asset management segment to reflect the new service offerings. The Group continued to strategically invest in fintech infrastructure to further digitalise its licensed financial service. Centered on enhancing client experience and operational efficiency, the Group completed substantial upgrades to its digital service system and achieved tangible commercial outcomes.

During the period under review, the Group's securities brokerage business was conducted through CS Wealth Securities Limited, a wholly-owned subsidiary of the Company licensed by the Hong Kong Securities and Futures Commission ("**SFC**") to engage in dealing in securities activities (i.e., Type 1 regulated activity). This subsidiary continued to offer comprehensive securities brokerage services, extend margin financing to clients, as well as facilitate the trading and distribution of over-the-counter financial products. Leveraging the existing securities brokerage business and showcasing the fintech commitment, the Group developed and launched a proprietary mobile application to unify client trading, portfolio management and data visualisation functions. The platform features real-time portfolio performance tracking, enabling clients to efficiently monitor their investment positions and profit-and-loss dynamics.

In the meantime, the Group's asset management business was conducted through CS Wealth Asset Management Limited, a wholly-owned subsidiary of the Company licensed by the SFC to engage in advising on securities and asset management activities (i.e., Type 4 and 9 regulated activities). This newly expanded arm is dedicated to offering tailored fund management and investment advisory services to maximise risk-adjusted returns for the clients.

For HY2026, the overall revenue of the operation decreased by 27% to HK$3,695,000 (30 June 2025: HK$5,039,000) and its result experienced a turnaround and recorded a loss of HK$2,182,000 (30 June 2025: profit of HK$1,844,000). The decrease in revenue of the operation was the combined effect of the decrease in interest income from margin financing by 37% to HK$2,577,000 (30 June 2025: HK$4,084,000), mainly due to the lower average amount of margin loans advanced to clients during the period, which was partly offset by a 5% increase in brokerage commission income to HK$1,000,000 (30 June 2025: HK$955,000) and a new income stream generated from the asset management business of HK$118,000 (30 June 2025: nil). The operation's turnaround to a loss was primarily driven by the combined impact of the abovementioned revenue drop and the inclusion of staff cost of asset management subsidiary of HK$2,682,000 upon its integration to the segment. These negative factors were partially mitigated by the increase in the operation's bank interest income by over three times to HK$638,000 (30 June 2025: HK$149,000), as well as the absence of a provision for impairment loss on trade receivables during the period under review (30 June 2025: provision of impairment loss of HK$586,000).

Overall Results

For HY2026, the Group recorded an increase in loss attributable to owners of the Company by HK$10,014,000 to HK$21,826,000 (30 June 2025: HK$11,812,000), and an increase in total comprehensive expense attributable to owners of the Company by HK$13,265,000 to HK$25,576,000 (30 June 2025: HK$12,311,000), which included an exchange loss arising on translation of an associate of HK$4,285,000 (30 June 2025: nil). The increase in loss results recorded by the Group was the combined effect of (i) the decrease in the operating profit, after provision of ECL, recorded by the money lending business of HK$1,152,000 (30 June 2025: HK$7,139,000); and (ii) the increase in other expenses to HK$24,375,000 (30 June 2025: HK$17,833,000), which was primarily driven by additional expenses incurred for the purposes of business development and compliance.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

For HY2026, the Group financed its businesses mainly by funds generated from operations and shareholders' funds. At the period end, the Group had current assets of HK$2,165,613,000 (31 December 2025: HK$2,279,914,000) and liquid assets comprising bank balances and cash (excluding clients' money held relating to the Group's securities brokerage business) of HK$1,518,486,000 (31 December 2025: HK$1,693,405,000). The Group's current ratio, calculated based on current assets over current liabilities of HK$118,530,000 (31 December 2025: HK$206,857,000), was at a strong ratio of about 18.3 (31 December 2025: 11.0) with the ratio significantly increased by 66%. At 30 June 2026, trade payable to margin clients decreased significantly by HK$97,124,000 to HK$23,186,000 (31 December 2025: HK$120,310,000) as the margin clients withdrawn the funds subsequent to disposal of their investment securities.

At 30 June 2026, the Group's trade and other receivables amounted to HK$113,751,000 (31 December 2025: HK$89,120,000), which mainly comprised trade receivables from margin clients of the securities brokerage business of HK$98,262,000 (31 December 2025: HK$77,624,000). At the period end, the market value of the securities pledged by the clients to the Group as collateral for margin financing amounted to HK$2,061,958,000 (31 December 2025: HK$1,490,608,000). Since the market value of those pledged securities exceeded the margin client receivables on an individual basis, no impairment loss allowance was provided on these receivables. At the period end, the Group had deferred tax assets amounting to HK$998,000 (31 December 2025: HK$860,000), which were principally related to the allowance for ECL of loan receivables at the period end.

At 30 June 2026, the equity attributable to owners of the Company amounted to HK$2,176,171,000 (31 December 2025: HK$2,201,747,000) and was equivalent to an amount of approximately HK10.68 cents (31 December 2025: HK10.80 cents) per share of the Company. The decrease in equity attributable to owners of the Company of HK$25,576,000 was mainly due to the loss recognised by the Group during the period.

The Group's gearing ratio, calculated on the basis of total liabilities of HK$121,618,000 (31 December 2025: HK$211,889,000) divided by total equity of HK$2,176,370,000 (31 December 2025: HK$2,201,747,000), was at a low level of about 6% (31 December 2025: 10%).

The increase in the Group's finance costs to HK$1,312,000 (30 June 2025: HK$570,000) was primarily attributable to the interest on the unlisted equity-linked FCN issued by the Group of HK$995,000 (30 June 2025: nil), which was partly offset by the decrease in interest on lease liabilities to HK$317,000 (30 June 2025: HK$570,000).

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

PROSPECTS

The Group remains committed to cultivating sustainable growth drivers over the medium to long term, backed by the solid macroeconomic fundamentals of Hong Kong and Southeast Asia. While global markets remain subject to uncertainties arising from persistent geopolitical tensions and international trade frictions, the Group is well-positioned to navigate these headwinds through its diversified business model and disciplined risk management.

For the money lending business, the Group will continue to drive its loan operations with enhanced risk control and refined customer management to secure high-quality, sustainable profitability. Capitalising on the recent stabilisation within the local property market, the Group has successfully reactivated its property mortgage business, leveraging strategic referrals from external mortgage intermediaries to capture solid market opportunities. Driven by the Group's enhanced sales and marketing team and the strong background and business network of the Group's senior management, it is anticipated that more loan applications with attractive interest rates will be processed in the second half of 2026. Demonstrating strong execution under this growth strategy, the Group successfully entered into new loan facilities with independent borrowers with principal amount totalling HK$270,000,000. Details of which are set out in the announcement of the Company dated 30 June 2026. Moving forward, the Group will continue to actively expand its mortgage and credit financing portfolio to broaden its income stream while maintaining a cautious and disciplined risk framework.

For the securities brokerage business, the Group has successfully transitioned from a traditional brokerage model into an over-the-counter specialist financial service provider and significantly enhanced the digital financial ecosystem and user experience that aims at optimising client acquisition and driving commission income growth. Following the successful launch of our new mobile application, the Group will continue to expand its active user base and enhance platform engagement, which are expected to serve as a powerful catalyst to drive sustainable growth in brokerage commission income.

For asset management business, the Group has commenced the fund management service. The Group will continue to extend its expertise and invest in high-growth technology sectors and artificial intelligence segments in the second half of 2026 to further cultivate alternative revenue streams and deliver sustainable returns. To capture burgeoning market opportunities, the Group is channeling dedicated capital, operational resources, and top-tier talent directly into the platform. This strategic focus ensures the infrastructure can scale efficiently through the second half of 2026 and beyond.

For investment in securities business, the Group has been allocating financial resources into high-quality, short-term structured financial products, maintaining unlisted equity-linked FCN as its core investment vehicle to yield stable and predictable returns. The Group will continue its strategy on tactical capital deployment to structured products linked to low-risk blue-chip equities or stable market indices characterised by strong fundamentals, high liquidity, and robust market presence. By maintaining this cautious and defensive equilibrium, the Group is well-positioned to effectively optimise capital returns and safeguard liquidity under volatile market conditions. To deepen the Group's strategic footprint and reaffirm the long-term commitment to innovation of financial technology, the Group has started preparatory work for the next-generation financial data service platform. Capitalising on Hong Kong's strategic position as a global financial hub and its vibrant ecosystem, the Group expects to attract and mobilise top-tier financial, data, and technology talents, as well as cutting-edge capabilities from both Chinese Mainland and Hong Kong. This new platform is poised to unlock profound synergies with the Group's existing securities brokerage business, enhance the overall customer ecosystem, and boost user stickiness.

For trading business, the Group has successfully revitalised its mercantile operations, marking a significant strategic turning point during the review period. Throughout the period of inactivity on trading business in the past three financial years, management of the Group remained resolutely committed to preserving and ultimately reviving the Group's trading business. Rather than abandoning the trading business, the Company used the transition period to conduct extensive market research, evaluate ESG-compliant commodity alternatives, and restructure its commercial network. These efforts culminated in a strategic pivot from coke to limestone trading and a focused program of commercial, operational, and financing initiatives to restart activity on a sustainable basis. To ensure continuity and commercial stability for its limestone trading operations, the Group has proactively engaged with top tier limestone mine owners in the Chinese Mainland and structured multi supplier arrangements to secure reliable annual volumes while retaining operational flexibility. Looking ahead into the second half of 2026, while the Group continues to scale its limestone trading volumes to leverage this established stronghold, it will explore and evaluate alternative, high-growth commodities to further diversify its product portfolio, optimise international trade channels, and continually enhance the segment's long-term profitability and asset returns.

Recognising the participation in the management of the banking associate, Citystate, since September 2025, and the recent completion of the initial share subscription in AccX Group, the Group's innovative payment technology venture, it is expected that AccX Group could provide comprehensive automated and digital operational upgrades for Citystate, which demonstrates powerful regional synergies across these interconnected platforms and drives innovation within fintech space.

Moving forward, in addition to the principal business segments of the Group, the Group will continue to prioritise fintech innovation and artificial intelligence capability building as core strategic drivers to empower its full-spectrum financial services. The Group will also enhance the intelligent client operation system, realise refined client profiling and lifecycle management, and continuously improve user stickiness and service professionalism through technological empowerment. The Group is well-positioned to capture industry development opportunities, drive sustainable business growth and create long-term value for clients and shareholders.

Through the collaboration among our different business teams, the Group aims to leverage their mutual strengths to create powerful synergies. No matter how market conditions shift, management will maintain a strictly disciplined approach in overseeing all operations while actively seizing new business opportunities. By remaining cautious and financially resilient, we are confident in our ability to navigate global market uncertainties, expand our business footprint, and deliver stable, sustainable benefits to our shareholders and stakeholders in the years to come.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules for the six months ended 30 June 2026.

REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Group's condensed consolidated financial statements for the six months ended 30 June 2026 have not been audited, but have been reviewed by the Audit Committee and the Company's auditor, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the HKICPA. The report on review of condensed consolidated financial statements by the auditor will be included in the 2026 Interim Report to be despatched to the shareholders of the Company.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares, if any).

As at 30 June 2026, the Company did not hold any treasury shares.

By Order of the Board
CSC Holdings Limited
Dr. Or Ching Fai
Chairman

Hong Kong, 25 August 2026

As at the date of this announcement, the Board comprises one Non-executive Director, namely Dr. Or Ching Fai (Chairman); two Executive Directors, namely Mr. Chow Man Wai, Tony (Chief Executive Officer) and Mr. Chow Kam Wah; and three Independent Non-executive Directors, namely Ms. Ma Yin Fan, Mr. Leung Hoi Ying and Mr. Lam Kin Fung, Jeffrey.