

BPI Wealth Hong Kong Limited

**Unaudited Interim Results
For the six months ended 30 June 2025**

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Directors' Report

The directors of BPI Wealth Hong Kong Limited (the "Company") are pleased to announce that the unaudited interim results of the Company's operations for the six months ended 30 June 2025.

Principal activities

The Company is a deposit-taking company registered under the Hong Kong Banking Ordinance. The Company is licensed under the Hong Kong Securities and Futures Ordinance for dealing in securities, advising on securities and asset management activities. Its principal activities are the provision of financial services and dealing in securities on behalf of customers.

Results and appropriations

The results of the Company for the period ended 30 June 2025 are set out in the statement of profit and loss and other comprehensive income on page 3.

The directors do not recommend the payment of interim dividend in 2025 (2024: Nil).

Directors of the Company

The directors of the Company during the period and up to the date of this report were:

Maria Theresa Dela Peña Marcial
Ki Myung Hong
Jesse Ong Ang
Luis Antonio Pando Zialcita
Perlita Santiago Mapanao
Chi Hang Lui

(Appointed on 1 May 2025)

There being no provision in the Company's articles of association in connection with the retirement of directors, all existing directors continue in office.

Directors' material interests in transactions, arrangements and contracts that are significant in relation to the Company's business

No transactions, arrangements and contracts of significance in relation to the Company's business to which the Company's fellow subsidiaries or its parent company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

At no time during the period was the Company, its fellow subsidiaries, its parent company or its other associated corporations a party to any arrangement to enable the directors and chief executives of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its specified undertakings or other associated corporations.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the period.

Permitted indemnity provisions

At no time during the period and up to the date of this Directors' report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company.

Compliance with the Banking (Disclosure) Rules

The Company is required to comply with the Banking (Disclosure) Rules. The Banking (Disclosure) Rules set out the minimum standards for public disclosure which authorized institutions must make in respect of the statement of profit and loss and other comprehensive income, its state of affairs and capital adequacy. The financial statements for the six months ended 30 June 2025 comply fully with the applicable disclosure provisions of the Banking (Disclosure) Rules.

On behalf of the Board



Chi Hang Lui

Hong Kong

15 SEP 2025

Statement of profit and loss and other comprehensive income for the six months ended 30 June 2025 (unaudited)

	Note	For the six months ended 30 Jun 2025 HK\$'000	For the six months ended 30 Jun 2024 HK\$'000
Interest income	3	8,164	9,022
Interest expense		(3,790)	(4,262)
Net interest income		4,374	4,760
Other operating income	4	25,418	23,640
Total operating income		29,792	28,400
Impairment allowance charged		(148)	-
Operating expenses	5	(25,612)	(25,076)
Profit from operations		4,032	3,324
Finance costs	7	(116)	(49)
Profit before taxation		3,916	3,275
Income tax	6	-	-
Profit for the period		3,916	3,275
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of financial assets designated at fair value through other comprehensive income, net of tax		1,364	(83)
Total comprehensive income for the period		5,280	3,192


The notes on pages 8 to 19 are an integral part of these financial statements.

Statement of financial position as at 30 June 2025 (unaudited)

	Note	As at 30 Jun 2025 HK\$'000	As at 31 Dec 2024 HK\$'000
Assets			
Cash and short-term funds	8	43,500	37,412
Placements with banks and other financial institutions maturing between one and twelve months	9	151,679	166,490
Advances and other accounts	10	22,504	24,629
Financial assets designated at fair value through other comprehensive income	11	200,369	183,208
Fixed assets	12	10,664	1,123
Deferred tax assets	20	1,694	1,694
Total assets		<u>430,410</u>	<u>414,556</u>
Liabilities			
Time deposits from customers		235,543	232,514
Lease liabilities	14	10,453	1,070
Other payables		6,157	7,995
Total liabilities		<u>252,153</u>	<u>241,579</u>
Equity			
Share capital		75,000	75,000
Retained earnings		92,936	89,020
Capital contribution reserve		9,907	9,907
Investment revaluation reserve		414	(950)
		<u>178,257</u>	<u>172,977</u>
Total equity and liabilities		<u>430,410</u>	<u>414,556</u>

The financial statements on pages 3 to 19 were approved by the Board of Directors on and were signed on its behalf.


Ki Myung Hong
Independent Non-Executive Director
15 SEP 2025


Chi Hang Lui
Director
15 SEP 2025

The notes on pages 8 to 19 are an integral part of these financial statements.

Statement of changes in equity for the six months ended 30 June 2025 (unaudited)

	Share capital HK\$'000	Investment revaluation reserve HK\$'000	Retained earnings HK\$'000	Capital contribution reserve HK\$'000	Total HK\$'000
At 1 January 2024	75,000	(1,177)	83,502	9,907	167,232
Profit for the year	-	-	5,518	-	5,518
Other comprehensive income:					
Change in fair value of financial assets designated at fair value through other comprehensive income, net of tax	-	227	-	-	227
Total comprehensive income for the year	-	227	5,518	-	5,745
At 31 December 2024 and 1 January 2025	75,000	(950)	89,020	9,907	172,977
Profit for the period	-	-	3,916	-	3,916
Other comprehensive income:					
Change in fair value of financial assets designated at fair value through other comprehensive income, net of tax	-	1,364	-	-	1,364
Total comprehensive income for the period	-	1,364	3,916	-	5,280
At 30 June 2025	75,000	414	92,936	9,907	178,257

The notes on pages 8 to 19 are an integral part of these financial statements.

Statement of cash flows for the six months ended 30 June 2025 (unaudited)

	Note	For the six months ended 30 Jun 2025 HK\$'000	For the six months ended 30 Jun 2024 HK\$'000
Net cash (outflow)/ inflow from operating activities before taxation	18	(2,561)	22,809
Hong Kong profits tax paid		-	-
Net cash (outflow)/ inflow from operating activities after taxation		(2,561)	22,809
Investing activities			
Purchase of Fixed assets		(12)	(5)
Net cash outflow from investing activities		(12)	(5)
Financing activities			
Lease payment (principal portion)		(2,289)	(2,346)
Lease payment (interest portion)		(116)	(49)
Net cash outflow from financing activities		(2,405)	(2,395)

Statement of cash flows
for the six months ended 30 June 2025 (unaudited)
(continued)

	<i>Note</i>	<i>For the six months ended 30 Jun 2025 HK\$'000</i>	<i>For the six months ended 30 Jun 2024 HK\$'000</i>
(Decrease)/ increase in cash and cash equivalents		(4,978)	20,409
Cash and cash equivalents at 1 January		<u>168,666</u>	<u>123,542</u>
Cash and cash equivalents at 30 June		<u><u>163,688</u></u>	<u><u>143,951</u></u>
Analysis of cash and cash equivalents			
Balances with banks and other financial institutions	8	23,744	33,558
Placement with banks and other financial institutions with original maturity within three months		<u>139,944</u>	<u>110,393</u>
		<u><u>163,688</u></u>	<u><u>143,951</u></u>

The notes on pages 8 to 19 are an integral part of these financial statements.

Notes to the financial statements

1 General information

The principal activities of BPI Wealth Hong Kong Limited (the “Company”) are the provision of financial services and dealing in securities on behalf of customers. The Company is a deposit-taking company registered under the Hong Kong Banking Ordinance and licensed under the Hong Kong Securities and Futures Ordinance for dealing in securities, advising on securities and asset management activities.

The Company is incorporated in Hong Kong and its registered office is 5/F, LHT Tower, 31 Queen’s Road Central, Hong Kong.

2 Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (HKASs) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. Significant accounting policies adopted by the Company are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Company. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Company for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the investments in debt and equity securities are stated at their fair value as explained in the accounting policies.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Significant accounting policies (continued)

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements. Management are required to discuss about the major sources of estimation uncertainty.

(c) Changes in accounting policies

The HKICPA has not issued any amendments to HKFRS that are first effective or available for early adoption for the current accounting period of the company.

The company has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Interest income

	<i>For the six months ended 30 Jun 2025 HK\$'000</i>	<i>For the six months ended 30 Jun 2024 HK\$'000</i>
Interest income from financial assets designated at fair value through other comprehensive income		
-Debt securities	3,760	3,882
Interest income from financial assets measured at amortised cost		
-Placements with banks	4,306	4,391
-Advances to customer	98	749
	<u>8,164</u>	<u>9,022</u>

4 Other operating income

	<i>For the six months ended 30 Jun 2025 HK\$'000</i>	<i>For the six months ended 30 Jun 2024 HK\$'000</i>
Service fees and commission income	21,365	20,410
Foreign exchange profit/ (loss), net	2,090	(253)
Net gain from dealing in securities	1,904	3,443
Other income	59	40
	<u>25,418</u>	<u>23,640</u>

5 Operating expenses

	<i>For the six months ended 30 Jun 2025 HK\$'000</i>	<i>For the six months ended 30 Jun 2024 HK\$'000</i>
Staff costs:		
– Wages and salaries	14,722	15,491
– Pension costs - defined contribution plans	499	506
– Other benefits and allowance	1,490	1,513
Depreciation (Note 12)	2,143	2,387
Amortization of Intangible asset (Note 13)	-	36
Auditor's remuneration	640	607
Taxation fee	29	29
Telecommunication and postage	1,501	1,387
Other operating expenses	4,588	3,120
	<u>25,612</u>	<u>25,076</u>

Staff costs -Wages and salaries include directors' emoluments.

6 Income tax expense

No provision for Hong Kong Profits Tax has been made for the current and prior periods as the Company sustained a loss from previous years and the loss is carried forward to set-off against the assessable profits earned in 2025 for taxation purpose.

For the period ended 30 June 2025, the provision for Hong Kong Profits Tax was calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the period.

7 Finance costs

	<i>For the six months ended 30 Jun 2025 HK\$'000</i>	<i>For the six months ended 30 Jun 2024 HK\$'000</i>
Interest expenses incurred from lease liabilities	<u>116</u>	<u>49</u>

8 Cash and short-term funds

	<i>As at 30 Jun 2025 HK\$'000</i>	<i>As at 31 Dec 2024 HK\$'000</i>
Cash and balances with banks and other financial institutions	23,744	14,784
Placements with banks and other financial institutions maturing within one month	19,785	22,628
Impairment allowance for cash and short-term funds	(29)	-
	<u>43,500</u>	<u>37,412</u>

9 Placements with banks and other financial institutions maturing between one and twelve months

	<i>As at 30 Jun 2025 HK\$'000</i>	<i>As at 31 Dec 2024 HK\$'000</i>
Placements with banks and other financial institutions		
– maturing between one and three months	143,873	150,827
– maturing between three and twelve months	7,915	15,663
Impairment allowance for placements with banks and other financial institutions maturing between one and twelve months	(109)	-
	<u>151,679</u>	<u>166,490</u>

10 Advances and other accounts

	As at 30 Jun 2025 HK\$'000	As at 31 Dec 2024 HK\$'000
Advances to customers at amortised cost	3,408	3,373
Other accounts at amortised cost	19,099	21,259
	<u>22,507</u>	<u>24,632</u>
Impairment allowance for		
- advances to customers	(3)	(3)
- other accounts	-	-
	<u>22,504</u>	<u>24,629</u>

11 Financial assets designated at fair value through other comprehensive income

	As at 30 Jun 2025 HK\$'000	As at 31 Dec 2024 HK\$'000
Financial assets designated at fair value through other comprehensive income		
- Listed outside Hong Kong and issued by banks and other financial institutions	50,602	39,371
- Listed outside Hong Kong and issued by central government	149,767	143,837
	<u>200,369</u>	<u>183,208</u>
Impairment allowance	<u>(10)</u>	<u>-</u>

12 Fixed assets

	<i>Leasehold improvements</i> HK\$'000	<i>Furniture, fixtures and equipment</i> HK\$'000	<i>Right of use assets</i> HK\$'000	<i>Total</i> HK\$'000
At 1 January 2024				
Cost	5,649	4,023	13,421	23,093
Accumulated depreciation	(5,443)	(3,817)	(7,983)	(17,243)
Net book value	206	206	5,438	5,850
Year ended 31 December 2024				
Opening net book value	206	206	5,438	5,850
Additions	-	5	-	5
Disposal	-	(2)	-	(2)
Depreciation charge	(171)	(125)	(4,436)	(4,732)
Adjustment from lease modification	-	-	1	1
Written back on disposal	-	1	-	1
Closing net book value	35	85	1,003	1,123
At 31 December 2024 and 1 January 2025				
Cost	5,649	4,026	13,422	23,097
Accumulated depreciation	(5,614)	(3,941)	(12,419)	(21,974)
Net book value	35	85	1,003	1,123

12 Fixed assets (continued)

	<i>Leasehold improvements</i> HK\$'000	<i>Furniture, fixtures and equipment</i> HK\$'000	<i>Right of use assets</i> HK\$'000	<i>Total</i> HK\$'000
Period ended 30 June 2025				
Opening net book value	35	85	1,003	1,123
Additions	-	12	11,669	11,681
Disposal	-	(32)	(13,076)	(13,108)
Adjustment from lease modification	-	-	3	3
Depreciation charge	(35)	(27)	(2,081)	(2,143)
Written back on disposal	-	32	13,076	13,108
Closing net book value	-	70	10,594	10,664
At 30 June 2025				
Cost	5,649	4,006	12,018	21,673
Accumulated depreciation	(5,649)	(3,936)	(1,424)	(11,009)
Net book value	-	70	10,594	10,664

13 Intangible Assets

	As at 30 Jun 2025 HK\$'000
Cost	
Balance as at 1 January 2024	459
Disposal	(363)
	<hr/>
Balance as at 31 December 2024/1 January 2025	96
Acquisitions	-
	<hr/>
Balance as at 30 June 2025	96
	<hr/>
Accumulated amortisation	
Balance as at 1 January 2024	(333)
Amortisation for the year	(82)
Written back on disposal	319
	<hr/>
Balance as at 31 December 2024/1 January 2025	(96)
Amortisation for the period	-
	<hr/>
Balance as at 30 June 2025	(96)
	<hr/>
Carrying amounts	
Balance as at 1 January 2024	126
	<hr/>
Balance as at 31 December 2024/1 January 2025	-
	<hr/>
Balance as at 30 June 2025	-
	<hr/>

14 Lease liabilities

At 30 June 2025, the lease liabilities were repayable as follows:

	<i>As at</i> <i>30 Jun 2025</i> HK\$'000	<i>As at</i> <i>31 Dec 2024</i> HK\$'000
Within 1 year	3,954	1,045
After 1 year but within 2 years	3,869	25
After 2 years but within 5 years	2,630	-
	<u>10,453</u>	<u>1,070</u>

15 Off-balance sheet exposures

There is no contingent liabilities and commitments as at 30 June 2025 and 31 December 2024.

16 Loans to officers

As at 30 June 2025, there is no loan made to officers as pursuant to section 78 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), with reference to section 161B of the predecessor Hong Kong Companies Ordinance (Cap. 32).

17 Related party transactions

Following transaction was carried out with related parties:

(a) Transaction amount during the period with related parties:

	<i>For the six months ended 30 Jun 2025 HK\$'000</i>	<i>For the six months ended 30 Jun 2024 HK\$'000</i>
System services fee charged by ultimate holding company	589	599
Management fee income from a fellow subsidiary	<u>104</u>	<u>104</u>

System service charge represents charges for usage of ultimate holding company's systems and various processes outsourced to BPI Global Services. Charges are fixed fee per month.

(b) Period-end balances with related parties:

	<i>As at 30 Jun 2025 HK\$'000</i>	<i>As at 31 Dec 2024 HK\$'000</i>
Bank balance held in ultimate holding company	8,579	1,320
Management fee income receivables from a fellow subsidiary	<u>311</u>	<u>205</u>

The bank balance held with the ultimate holding company which is a bank in the Republic of the Philippines. The balances are unsecured and interest-bearing at commercial rate.

18 Note to the cash flow statement

Reconciliation of profit before taxation to net cash outflows from operating activities:

	As at 30 Jun 2025 HK\$'000	As at 30 Jun 2024 HK\$'000
Profit before taxation	3,916	3,275
Adjustments for:		
Depreciation of fixed assets	2,143	2,387
Amortisation of intangible assets	-	36
Impairment allowance charged	148	-
Finance cost	116	49
Changes in working capital:		
Decrease in placements with banks and other financial institutions with original maturity over three months	3,607	3,791
Decrease/ (increase) in advances and other accounts	2,125	(8,050)
(Increase)/ decrease in financial assets designated at FVOCI	(15,807)	10,737
Increase in time deposits from customers	3,029	11,302
Decrease in other payables	(1,838)	(718)
Cash used in operating activities	<u>(2,561)</u>	<u>22,809</u>

19 Immediate and ultimate holding company

The immediate and ultimate holding company is Bank of the Philippine Islands, a bank incorporated and listed in the Republic of the Philippines. This entity produces financial statements available for public use.

20 Income tax in the statement of financial position

Deferred tax assets recognised

The components of deferred tax assets recognised in the statement of financial position and the movements during the period are as follows:

Deferred tax arising from:	Tax loss \$'000
At 1 January 2024	2,778
Charged to profit or loss	(1,084)
	<hr/>
At 31 December 2024 and 1 January 2025	1,694
	<hr/>
Charged/ (credited) to profit or loss	-
	<hr/>
At 30 June 2025	1,694
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21 Comparative figures

To conform with the current period's presentation of financial statements, certain comparative figures have been reclassified in respect of the preceding period, which is relevant for understanding the current period's financial statement.

22 Approval of financial statements

The financial statements were approved by the board of directors on

15 SEP 2025