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香港交易及結算所有限公司  
HONG KONG EXCHANGES AND CLEARING LIMITED

(Incorporated in Hong Kong with limited liability)  
Stock Codes: 388 (HKD counter) and 80388 (RMB counter)

(Financial figures in this announcement are expressed in Hong Kong dollar (HKD) unless otherwise stated)

## **2025 INTERIM RESULTS, INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS**

# STRATEGIC AND FINANCIAL HIGHLIGHTS

## Bonnie Y Chan, Chief Executive Officer said:

HKEX started 2025 from a position of strength, reporting the Group's best-ever half-yearly revenue and profit. Volumes in the Cash Market, Derivatives Market and Stock Connect all reached record half-yearly highs and we regained our position as the world's No.1 IPO venue by funds raised. We also continued to make strategic progress in the first half of 2025, from diversifying our product ecosystem to enhancing our listing framework, and from breaking new ground in our commodities business to marking a new milestone in the development of Hong Kong's FIC ecosystem. After receiving a record number of listing applications over a six-month period, we enter the second half of 2025 with new initiatives that are underway to further enhance the competitiveness and attractiveness of our markets – including preparations for a shorter cash market settlement cycle, the expansion of our paperless listing regime, as well as implementing enhanced IPO price discovery requirements and the first phase of reduced minimum spreads. Looking to the rest of the year and beyond, we at HKEX are committed to continuously enhancing our platforms, our infrastructure, and our products, to provide investors and issuers with the diversification, liquidity and connectivity they need to navigate the dynamic global macroeconomic environment.

## Strategic & Operational Highlights

### Corporate

- 26 Mar Collaborated with the World Economic Forum to host its first financial-services event in Hong Kong
- 24 Apr Announcement of the purchase of permanent headquarters premises
- 27 Jun 25th Anniversary of HKEX as a listed company

### Regulation

- 6 May Jointly announced the launch of the Technology Enterprises Channel, and the introduction of a new confidential filing option for specialist technology companies and biotech companies, with SFC

### Products and Services

- 26 Feb Cross-listing of the world's largest Nasdaq 100 ETF
- 17 Mar Addition of six new stock option classes
- 21 Mar OTC Clear accepted China Government Bonds and Policy Bank Bonds held through Bond Connect as margin collateral for all derivative transactions
- 24 Mar Asia's first single stock L&I Products listed
- 28 May First USD-denominated structured product launched
- 28 May The world's first L&I Product relating to a single Korean stock listed
- 29 May Asia's first Saudi sukuk ETF listed
- 30 Jun OTC Clear extended the maximum tenor of Northbound Swap Connect trades to 30 years

### Market Operations

- 20 Jan Approval of Hong Kong as a new LME warehouse Delivery Point, which went live on 15 July 2025
- 29 Jan The UK Supreme Court refused to give the appellants permission to appeal, leading to the conclusion of the judicial review of events in the nickel market in 2022
- 4 Mar Signed a Memorandum of Understanding with CMU OmniClear Limited to enhance the post-trade securities infrastructure of Hong Kong's capital markets and enrich Hong Kong's FIC ecosystem
- 20 Mar The LME reached a settlement agreement with the UK Financial Conduct Authority (FCA) regarding its enforcement investigation related to the nickel market events in 2022, drawing the investigation process to a close
- 24 Mar The LME launched new trading platform, LMEselect v10
- 1 Apr The LME introduced daily off-warrant stock reporting
- 16 Apr Subsidiary legislation relating to the implementation of Uncertificated Securities Market approved by the Legislative Council, with a target implementation in early 2026
- 23 Jun Scheduled intra-day margin call arrangement implemented by HKCC and SEOCH
- 24 Jun Obtained regulatory approval for the increase in the position limits for futures and options contracts based on HSI, HSCEI and Hang Seng TECH Index, which became effective on 2 July 2025
- 30 Jun Enhancement to the securities market stock settlement fee structure took effect
- 30 Jun Single Tranche Multiple Counter Settlement Model launched

### Sustainability

- 25 Mar HKEX's greenhouse gas emissions reduction targets approved by the SBTi
- 15 Apr Co-hosted the inaugural International Carbon Markets Summit with SFC
- 23 Apr The LME announced its plan to explore the discovery of sustainable metal premia for certain metals
- 30 Apr Launched 2025 HKEX Impact Funding Scheme
- 18 Jun Launched 2025 HKEX Charity Partnership Programme
- 20 Jun Announced a new flagship charity programme focusing on caregiver support
- 25 Jun Co-hosted the International Dialogue on the Voluntary Carbon Market, with China Beijing Green Exchange, National Centre for Climate Change Strategy and International Cooperation and China Emissions Trading Association

## Comparison of 1H 2025 with 1H 2024 Results

### Financial Highlights

- HKEX reported the Group's best-ever half-yearly revenue and other income and profit in 1H 2025.
- 1H 2025 revenue and other income of \$14,076 million was 33 per cent higher than 1H 2024:
  - Core business revenue was up 34 per cent against 1H 2024, reflecting record half-yearly volumes in the Cash Market and stock options market, higher depository fees, and higher net investment income from increase in Margin Fund size.
  - Net investment income from Corporate Funds was \$1,044 million (1H 2024: \$901 million), driven by higher net investment income from internally managed Corporate Funds, which was further boosted by a non-recurring exchange gain driven by appreciation of USD against HKD.
- Operating expenses were up 6 per cent against 1H 2024, due to a \$90 million fine paid to the FCA in 1H 2025, and a recovery of legal fees of \$50 million in 1H 2024, both relating to events in the nickel market in 2022. Excluding the FCA fine and recovery of legal fees, operating expenses were up 1 per cent.
- EBITDA margin<sup>1</sup> was 79 per cent, 6 percentage points higher than 1H 2024.
- The Group's effective tax rate increased to 15.8 per cent in 1H 2025 (1H 2024: 11.0 per cent), due to provision for the new top-up tax under the Pillar Two model rules.
- Profit attributable to shareholders was \$8,519 million, 39 per cent higher than 1H 2024.

### Key Financials

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m	Change
Revenue and other income			
Core business revenue	12,954	9,690	34%
Donation income of HKEX Foundation	78	30	160%
Net investment income of Corporate Funds	1,044	901	16%
	14,076	10,621	33%
Operating expenses	2,973	2,794	6%
EBITDA (non-HKFRS measure)	10,939	7,661	43%
Profit attributable to shareholders	8,519	6,125	39%
Capital expenditure			
HKEX headquarters premises	1,805	-	N/A
Others	852	612	39%
	2,657	612	334%
Basic earnings per share	\$6.74	\$4.84	39%
Interim dividend per share	\$6.00	\$4.36	38%

### Key Market Statistics

	Six months ended 30 Jun 2025	Six months ended 30 Jun 2024	Change
ADT of equity products traded on the Stock Exchange (\$bn)	222.8 <sup>4</sup>	100.3	122%
ADT of DWs, CBBCs and warrants traded on the Stock Exchange (\$bn)	17.4	10.1	72%
ADT traded on the Stock Exchange <sup>1</sup> (Headline ADT) (\$bn)	240.2 <sup>4</sup>	110.4	118%
ADT of Northbound Trading of Stock Connect <sup>2</sup> (RMBbn)	171.3 <sup>4</sup>	130.2	32%
ADT of Southbound Trading of Stock Connect <sup>2</sup> (\$bn)	111.0 <sup>4</sup>	37.5	196%
ADV of derivatives contracts traded on the Futures Exchange ('000 contracts)	832	837	(1%)
ADV of stock options contracts traded on the Stock Exchange ('000 contracts)	868 <sup>4</sup>	696	25%
Chargeable ADV <sup>3</sup> of metals contracts traded on the LME ('000 lots)	715	694	3%
ADT of Northbound Bond Connect (RMBbn)	45.9 <sup>4</sup>	44.5	3%

<sup>1</sup> ADT of Southbound Trading is included within Headline ADT.

<sup>2</sup> Includes buy and sell trades under Stock Connect

<sup>3</sup> Chargeable ADV excludes administrative trades (Admin Trades).

<sup>4</sup> New record half-yearly high

<sup>1</sup> For the purposes of this announcement, EBITDA is defined as earnings before interest expenses and other finance costs, taxation, depreciation and amortisation. It excludes the Group's share of results of the joint ventures. EBITDA margin is calculated based on EBITDA divided by revenue and other income less transaction-related expenses. EBITDA and EBITDA margin are non-HKFRS measures used by management for monitoring business performance and may not be comparable to similar measures presented by other companies.

## Comparison of Q2 2025 with Q2 2024 Results

### Financial Highlights

- Q2 2025 revenue and other income and profit both reached record quarterly highs.
- Q2 2025 revenue and other income of \$7,219 million was 33 per cent higher than Q2 2024:
  - Core business revenue was up 32 per cent against Q2 2024, attributable to increases in trading and clearing fees from higher Cash Market volumes, and higher net investment income from increase in Margin Fund size.
  - Net investment income from Corporate Funds was \$528 million (Q2 2024: \$366 million), driven by higher investment income from internally managed Corporate Funds.
- Operating expenses were up 5 per cent due to higher staff costs, and a recovery of legal fees of \$50 million in Q2 2024 relating to the events in the nickel market in 2022. These were partly offset by lower charitable donations made by HKEX Foundation. Excluding charitable donations and recovery of legal fees, operating expenses were up 7 per cent.
- EBITDA margin was 80 per cent, 6 percentage points higher than Q2 2024.
- Taxation charge doubled due to an increase in profit before taxation and the provision for the new top-up tax under the Pillar Two model rules.
- Profit attributable to shareholders was \$4,442 million, 41 per cent higher than Q2 2024.

### Key Financials

	Three months ended 30 Jun 2025 \$m	Three months ended 30 Jun 2024 \$m	Change
Revenue and other income			
Core business revenue	6,639	5,033	32%
Donation income of HKEX Foundation	52	21	148%
Net investment income of Corporate Funds	528	366	44%
	7,219	5,420	33%
Operating expenses	1,457	1,383	5%
EBITDA (non-HKFRS measure)	5,685	3,956	44%
Profit attributable to shareholders	4,442	3,155	41%
Capital expenditure			
HKEX headquarters premises	1,805	-	N/A
Others	371	334	11%
	2,176	334	551%
Basic earnings per share	\$3.51	\$2.49	41%

### Key Market Statistics

	Three months ended 30 Jun 2025	Three months ended 30 Jun 2024	Change
ADT of equity products traded on the Stock Exchange (\$bn)	220.3	111.8	97%
ADT of DWs, CBBCs and warrants traded on the Stock Exchange (\$bn)	17.4	9.8	78%
ADT traded on the Stock Exchange <sup>1</sup> (Headline ADT) (\$bn)	237.7	121.6	95%
ADT of Northbound Trading of Stock Connect <sup>2</sup> (RMBbn)	151.8	127.3	19%
ADT of Southbound Trading of Stock Connect <sup>2</sup> (\$bn)	112.0 <sup>4</sup>	44.1	154%
ADV of derivatives contracts traded on the Futures Exchange ('000 contracts)	763	818	(7%)
ADV of stock options contracts traded on the Stock Exchange ('000 contracts)	771	747	3%
Chargeable ADV <sup>3</sup> of metals contracts traded on the LME ('000 lots)	733	730	0%
ADT of Northbound Bond Connect (RMBbn)	45.5	43.7	4%

<sup>1</sup> ADT of Southbound Trading is included within Headline ADT.

<sup>2</sup> Includes buy and sell trades under Stock Connect

<sup>3</sup> Chargeable ADV excludes administrative trades (Admin Trades).

<sup>4</sup> New record quarterly high

## Comparison of Q2 2025 with Q1 2025 Results

### Financial Highlights

- Q2 2025 revenue and other income was 5 per cent higher than Q1 2025, as a seasonal increase in depository fees and higher net investment income from Margin Funds more than offset the decrease in revenue from lower volumes of the Cash and Derivatives Markets compared with the record Q1 2025.
- Operating expenses were down 4 per cent due to the \$90 million non-recurring FCA fine recognised in Q1 2025 and lower charitable donations made by HKEX Foundation.
- EBITDA margin was 80 per cent, 2 percentage points higher than Q1 2025.
- Profit attributable to shareholders was \$4,442 million, 9 per cent higher than Q1 2025.

### Key Financials

	Three months ended 30 Jun 2025 \$m	Three months ended 31 Mar 2025 \$m	Change
Revenue and other income			
Core business revenue	6,639	6,315	5%
Donation income of HKEX Foundation	52	26	100%
Net investment income of Corporate Funds	528	516	2%
	7,219	6,857	5%
Operating expenses	1,457	1,516	(4%)
EBITDA (non-HKFRS measure)	5,685	5,254	8%
Profit attributable to shareholders	4,442	4,077	9%
Capital expenditure			
HKEX headquarters premises	1,805	-	N/A
Others	371	481	(23%)
	2,176	481	352%
Basic earnings per share	\$3.51	\$3.23	9%

### Key Market Statistics

	Three months ended 30 Jun 2025	Three months ended 31 Mar 2025	Change
ADT of equity products traded on the Stock Exchange (\$bn)	220.3	225.4	(2%)
ADT of DWs, CBBCs and warrants traded on the Stock Exchange (\$bn)	17.4	17.3	1%
ADT traded on the Stock Exchange <sup>1</sup> (Headline ADT) (\$bn)	237.7	242.7	(2%)
ADT of Northbound Trading of Stock Connect <sup>2</sup> (RMBbn)	151.8	191.1	(21%)
ADT of Southbound Trading of Stock Connect <sup>2</sup> (\$bn)	112.0 <sup>4</sup>	109.9	2%
ADV of derivatives contracts traded on the Futures Exchange ('000 contracts)	763	901	(15%)
ADV of stock options contracts traded on the Stock Exchange ('000 contracts)	771	965	(20%)
Chargeable ADV <sup>3</sup> of metals contracts traded on the LME ('000 lots)	733	698	5%
ADT of Northbound Bond Connect (RMBbn)	45.5	46.3	(2%)

<sup>1</sup> ADT of Southbound Trading is included within Headline ADT.

<sup>2</sup> Includes buy and sell trades under Stock Connect

<sup>3</sup> Chargeable ADV excludes administrative trades (Admin Trades).

<sup>4</sup> New record quarterly high

## CHAIRMAN'S STATEMENT

HKEX commenced 2025 on a high note, demonstrating remarkable strategic advancements and achieving record half-yearly results. Despite the ongoing macroeconomic volatility and dynamic geopolitical landscape, our unwavering commitment to fostering innovation, dynamism, and resilience has significantly bolstered the competitiveness and allure of our markets. During the first six months, we continued our effort to implement the recommendations of the Liquidity Task Force, review our listing policies to ensure they remain fit for purpose as our markets evolve, expand our products range, and widen the scope of the Connect program.

As we celebrate HKEX's 25th anniversary, we look forward with confidence to seizing growth opportunities, deepening our role as the pivotal gateway between China and the world, and continuing to shape the future of finance in Hong Kong and across the region.

While we celebrate these achievements, we must remain vigilant in the face of external uncertainties, including tariffs, geopolitical risks, and interest rate fluctuations. Despite these challenges, I remain cautiously optimistic about the outlook for the second half of the year and confident in our ability to navigate these complexities and to further the development of our markets.

### Performance

In the first half of 2025, we saw continued robust trading momentum, setting new records and highs across all our markets.

Driven by positive market sentiment, growing investor appetite for non-USD assets and increasing participation of international and Mainland investors, the average daily turnover in securities trading for the first half of 2025 was \$240.2 billion and the average daily volume of futures and options contracts traded was over 1.7 million contracts, up 118 per cent and 11 per cent respectively year-on-year. The Hong Kong ETF market continued to deliver impressive growth during the period, reaching a record average daily turnover of \$33.8 billion, up 184 per cent compared with the same period last year. Stock Connect also continued to gain traction during the period, achieving record half-yearly turnover in both Northbound and Southbound Trading. Northbound Bond Connect also set a new trading record with the average daily turnover up 3 per cent year-on-year.

The Hong Kong IPO market carried its strong growth momentum into 2025 and ranked first globally in IPO fundraising for the first half of the year. During this period, we welcomed 44 new listings<sup>2</sup>, including CATL, the world's largest IPO since 2023. The total IPO funds raised reached \$109.4 billion, up 716 per cent year-on-year. The notable growth in the IPO pipeline since the start of 2025 has demonstrated the continued vibrancy of the Hong Kong IPO market, reinforcing Hong Kong as a listing venue of choice for issuers seeking to raise funds from both Mainland and international investors.

Metals trading on the LME remained solid during the first six months of 2025, amid increasing market volatility and uncertainty as a result of sanctions and tariffs. The chargeable average daily volume of metals contracts traded on the LME increased by 3 per cent year-on-year.

For the six months up to 30 June 2025, the Group recorded total revenue and other income of \$14,076 million and profit attributable to shareholders of \$8,519 million, up 33 per cent and 39 per cent respectively, year-on-year. The Board declared an interim dividend of \$6.00 per share, payable in cash.

### Strategic Update

During the first half of 2025, we continued to achieve good progress in various strategic initiatives to further strengthen our global competitiveness, relevance and leadership in the region. These initiatives have underscored our commitment to strengthening Hong Kong's position as Asia's premier international financial centre and supporting the ongoing internationalisation of RMB.

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<sup>2</sup> Includes 1 transfer of listing from GEM to Main Board and 1 de-SPAC transaction

We entered into a cooperation agreement with CMU OmniClear Limited, a wholly-owned subsidiary of the HKMA, in March 2025, to jointly explore initiatives to enhance Hong Kong's post-trade securities infrastructure, including developing an international central securities depository (ICSD) in Asia. This is an important milestone for the long-term development of Hong Kong's fixed income and currencies (FIC) ecosystem and for driving the next chapter of RMB internationalisation, enhancing Hong Kong's status as a global risk management centre and the world's premier offshore RMB hub.

We have continued working closely with relevant regulators and our exchange partners to further enrich the product offerings under the Connect program. Following close collaboration between our clearing subsidiary, OTC Clear, China Foreign Exchange Trade System (CFETS) and Shanghai Clearing House (SHCH), the maximum tenor of interest rate swap contracts to be traded under Northbound Swap Connect has been extended to 30 years in June 2025 to meet the diversified risk-management needs of both Chinese and international institutions, while enabling international investors to enhance their overall efficiency of asset allocation in RMB assets. The planned inclusion of RMB-denominated stocks into Southbound Stock Connect will further deepen our mutual market connectivity by enabling Mainland investors to gain easier access to Hong Kong listed stocks using RMB.

On the listing front, we announced, together with the SFC, the launch of the Technology Enterprises Channel (TECH) in May 2025 to facilitate a more efficient pathway for the listing of specialist technology companies and biotech companies in Hong Kong, aiming to foster market quality and transparency, and to further the development of our new economy ecosystem. In view of the implementation of the Uncertificated Securities Market (USM) regime scheduled for 2026, the Exchange issued an information paper in May 2025, seeking market feedback on the relevant proposed Listing Rule amendments and outlining the preparation work required from issuers to ensure their smooth transition to the new regime.

As part of our continued effort to build a vibrant marketplace, we introduced the first Hang Seng TECH Covered Call ETF and Asia's first Single Stock Leveraged and Inverse Products in Hong Kong during the first half of 2025, further supporting Hong Kong as the region's leading ETP hub. Enhancements to the securities market stock settlement fee structure were rolled out in June 2025, aimed at enhancing market efficiency and ensuring consistent fee application across all trade sizes. We also launched an order routing service on our Integrated Fund Platform in July 2025 to facilitate seamless interaction between distributors and transfer agents, marking an important step forward in promoting greater efficiency and collaboration across Hong Kong's fund distribution network.

To support the continued modernisation of Hong Kong's financial market infrastructure, we published a discussion paper in July to lead market discussion on how and when to move to a shorter settlement cycle for the Hong Kong cash equities market.

Following the addition of Hong Kong to the LME's global warehousing network as an approved delivery location early this year, all of the first eight Hong Kong licensed warehouse facilities commenced operations on 15 July 2025. This represented a significant step forward in expanding our commodities capabilities, which will strengthen the link between the Mainland's physical metals markets and international pricing on the LME, and drive the development of Hong Kong as a key global metals hub servicing the region. To provide greater transparency of stocks across its warehouse network, the LME has been publishing daily off-warrant stock reports since April 2025, and began publishing off-warrant stock data for Hong Kong on 1 July 2025, in advance of its operational go-live on 15 July.

After the issuance of the White Paper on Enhancing Liquidity in September 2024 and extensive market engagement, the LME provided a broader update to the market in April 2025 outlining the planned roadmap for implementing its modernisation measures in phases to enhance market liquidity and transparency, which is discussed in the white paper. At the same time, the LME launched a market consultation on proposals relating to the introduction of block thresholds and new crossing functionality on the LMEselect platform.

Meanwhile, in Hong Kong, we were pleased to announce in April 2025 our strategic investment to establish our permanent headquarters at Exchange Square, which will enable the Group to meet its evolving business and operational needs over the longer term and to better support and engage with its stakeholders. This investment also underscores the Group's long-term commitment to the growth and future development of Hong Kong as a leading global financial centre.

Details of our progress across these and various other initiatives are set out in the Business Review section of this announcement.

## **Corporate Responsibility**

Further to our achievement of carbon neutrality across the Group's operations at the end of 2024, we have continued to progress well along our journey towards net zero, through further decarbonisation of our operations and continual engagement with our business partners. In addition to the publication of the HKEX Environmental Stewardship Statement in February 2025, we have obtained approval from SBTi on our science-based greenhouse emission reduction targets.

In support of our commitment to delivering long-term, meaningful impact on the wider community, we announced that our charitable arm, HKEX Foundation, will launch a new flagship charity programme later this year focusing on providing support to societal caregiving, while continuing to address various emerging social needs through HKEX's other ongoing charity programmes.

In June, HKEX celebrated its 25th anniversary with the launch of its first-ever HKEX Gong Tour. The two-week programme saw the iconic HKEX Gong travel to nine locations across Hong Kong in a specially outfitted "Gongmobile", as we deepened engagement with over 4,000 members of our community, by offering them a unique experience to engage with the vibrant history and dynamism of Hong Kong's financial markets.

As Asia's premier exchange group, HKEX has a vital role to play in connecting China and international capital markets and shaping the global sustainability and financial landscapes. We believe that our resilience and steadfast commitment to continuous innovation and progress will enable us to capture the significant opportunities ahead and support our next chapter of growth and prosperity across our markets and communities. We look forward to working closely with our clients, partners, regulators and other stakeholders in building a more connected, vibrant and future-ready marketplace and further strengthening our leadership role at the heart of the global financial community.

## **Acknowledgements**

On behalf of the Board, I would like to thank Mr Apurv Bagri and Ms Nisa Leung, who retired after the conclusion of the 2025 AGM, for their invaluable contributions during their tenure as Directors. In addition, we welcome Mr Peter Brien and Ms Ding Chen, who were newly appointed as our Directors. I also take this opportunity to express heartfelt appreciation to my fellow Directors for their ongoing support and guidance.

Last but not least, I would like to thank all our stakeholders, in particular our Shareholders, the management team and all our dedicated colleagues, for their unwavering support and many contributions to our continued journey of growth and excellence.

**Carlson Tong**  
Chairman

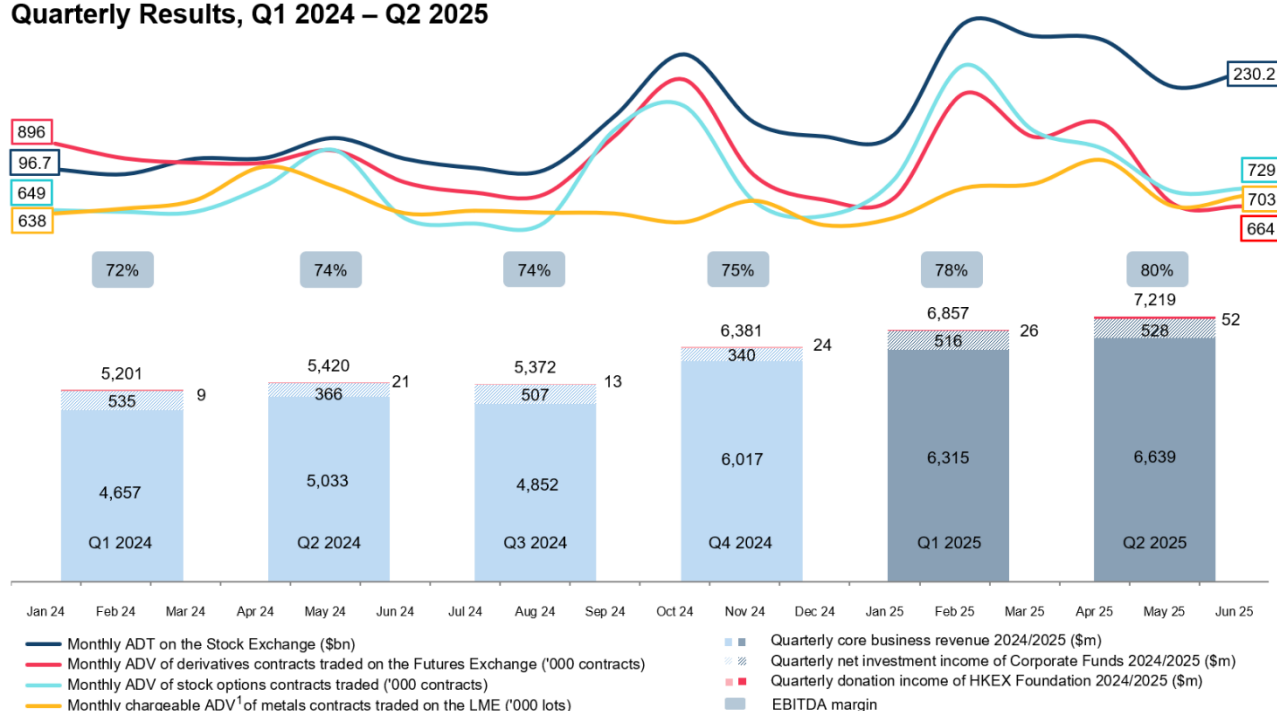


# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

### Overview

#### Quarterly Results, Q1 2024 – Q2 2025



1 Chargeable ADV excludes administrative trades (Admin Trades).

Fig. 1 – Market activity and Group's revenue and other income

HKEX delivered a strong 1H 2025, with revenue and other income, and profit both reaching record half-yearly highs – surpassing the previous records set in 2H 2024.

Driven by optimism in China's economic outlook and supportive policies, as well as exciting developments in artificial intelligence and innovation, there was renewed global investor interest in China-related assets. And, with increased participation by international and Mainland China investors, the volumes of the Cash Market, Derivatives Market, and Stock Connect all reached record half-yearly highs in 1H 2025. Cash Market Headline ADT of \$240.2 billion was more than double that of 1H 2024, and the ADV of derivatives contracts traded, which was 1.7 million contracts, was up 11 per cent year-on-year. An increase in listings from Chinese and international issuers propelled Hong Kong back to its position as the world's No.1 IPO venue in 1H 2025. IPO equity funds raised were more than eight times that of 1H 2024, and the number of active IPO applications increased to 207 as of 30 June 2025, more than double the 84 applications as at 31 December 2024.

Driven by record trading volumes, revenue and other income for 1H 2025 reached a record half-yearly high of \$14.1 billion, up 33 per cent compared with 1H 2024. This reflects higher trading and clearing fees from the increased trading volumes, higher depository fees, and an increase in net investment income due to a higher Margin Fund size. Operating expenses were 6 per cent higher than 1H 2024, mainly due to a non-recurring FCA fine paid in 1H 2025 and the recovery of legal fees recognised in 1H 2024, both relating to events in the nickel market in 2022.

For Q2 2025, the strong momentum in the Cash Market continued following the record Q1, with Headline ADT reaching the second-highest quarterly level of \$237.7 billion. Revenue and other income reached a record quarterly high, up 5 per cent as compared with Q1 2025, as seasonal increases in depository fees and higher net investment income from Margin Funds more than offset lower trading and clearing fees from the Cash and Derivatives Markets. Operating expenses declined by 4 per cent compared to Q1 2025, primarily due to the non-recurring fine paid to the FCA in Q1 2025. As a result, profit reached a record quarterly high, up 9 per cent from Q1 2025. Comparing Q2 2025 results with the same quarter last year, revenue and other income was up 33 per cent, and profit was up 41 per cent, reflecting higher trading and clearing fees driven by increased volumes in the Cash Market.

## Analysis of Results and Business Update by Operating Segment

	Six months ended 30 Jun 2025				Six months ended 30 Jun 2024			
	Revenue and other income \$m	Transaction-related expenses \$m	Revenue and other income less transaction-related expenses \$m	EBITDA \$m	Revenue and other income \$m	Transaction-related expenses \$m	Revenue and other income less transaction-related expenses \$m	EBITDA \$m
Results by segment:								
Cash	6,699	(6)	6,693	6,063	4,129	(4)	4,125	3,505
Equity and Financial								
Derivatives	3,553	(158)	3,395	2,932	3,099	(162)	2,937	2,494
Commodities	1,514	-	1,514	797	1,405	-	1,405	816
Data and Connectivity	1,104	-	1,104	895	1,048	-	1,048	840
Corporate Items	1,206	-	1,206	252	940	-	940	6
	14,076	(164)	13,912	10,939	10,621	(166)	10,455	7,661

### Cash Segment

#### Analysis of Results

Revenue and other income (less transaction-related expenses) was up 62 per cent and EBITDA was up 73 per cent compared with 1H 2024, mainly due to increased trading and clearing fees from the record volumes of Stock Exchange equity products.

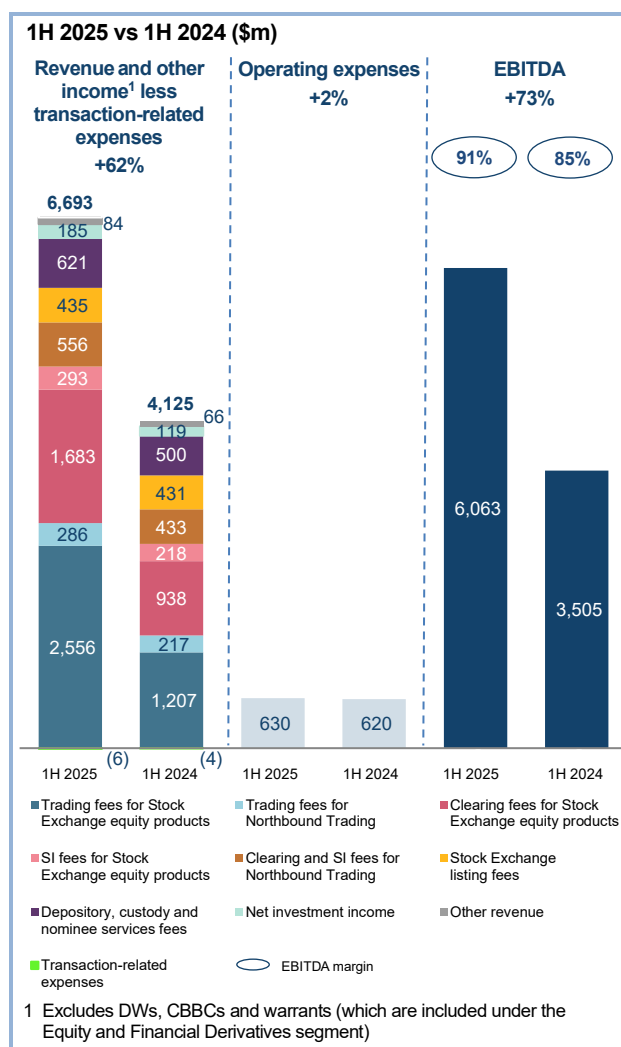
Trading fees of Stock Exchange equity products for 1H 2025 were \$2,556 million, more than double the fees of 1H 2024, driven by the increase in ADT of equity products traded. Included in the fees were Southbound Stock Connect fees of \$339 million (1H 2024: \$113 million), which rose in line with the increase in Southbound Trading volume, arising from increased participation by investors in Mainland China.

Northbound Stock Connect trading fees recorded a 32 per cent growth to \$286 million (1H 2024: \$217 million), in line with the increase in Northbound ADT, as offshore investors increased their investments in the A-share markets.

Clearing fees and Settlement Instruction (SI) fees for Stock Exchange equity products increased by 71 per cent to \$1,976 million (1H 2024: \$1,156 million), primarily due to a higher number of trades of equity products and SI transactions. In addition, driven by the increases in Northbound ADT and SI volumes, clearing and SI fees for Northbound Trading recorded a 28 per cent increase to \$556 million (1H 2024: \$433 million).

Depository, custody and nominee services fees increased by 24 per cent to \$621 million (1H 2024: \$500 million), mainly due to higher electronic IPO fees from increased number of IPO applications, higher scrip fees arising from more companies having their book close (including several companies having their first book close), and higher portfolio fees from increased portfolio values held under Stock Connect.

Operating expenses increased by 2 per cent mainly due to higher staff costs arising from payroll adjustments, and an increase in IT costs due to inflationary adjustments on contract renewals.



## Business Update

Driven by optimism over China's economic outlook and supportive policies, as well as advancements in technology and innovation, the strong momentum in the Hong Kong Cash Market continued into 1H 2025, with trading turnover reaching a record daily high at \$621.0 billion on 7 April 2025. This brought the 1H 2025 Headline ADT to a record half-yearly high of \$240.2 billion, more than double that of 1H 2024. Trading activities remained vibrant in Q2 2025, with Headline ADT of \$237.7 billion, the second highest quarterly Headline ADT ever.

### Stock Connect

Trading volumes of Northbound and Southbound Stock Connect recorded strong growth in 1H 2025, reaching record half-yearly highs. Northbound ADT was RMB171.3 billion, up 32 per cent compared with 1H 2024. With vast pools of capital in Mainland China looking to diversify, there was increased participation of Mainland investors in offshore markets, with Southbound Stock Connect ADT reaching \$111.0 billion in 1H 2025, nearly triple that of 1H 2024, and accounting for 23 per cent of the trading volume of the Cash Market during 1H 2025. As a result, revenue and other income from Stock Connect increased by \$614 million to a record half-yearly high of \$1,813 million (1H 2024: \$1,199 million), of which \$1,445 million (1H 2024: \$871 million) arose from trading and clearing activities.

### Market Structure Development

In April 2025, the Legislative Council approved the subsidiary legislation relating to the implementation of Uncertificated Securities Market (USM) in Hong Kong. HKEX is on track with system development to ensure the implementation of the USM regime in early 2026. Market information materials and briefing sessions are planned for release in Q3 2025.

The enhancement to the securities market stock settlement fee structure took effect and applied to Exchange Trades executed from 30 June 2025 onwards. The new stock settlement fee structure, which includes the removal of the minimum and maximum fees per trade, and the adjustment of the ad valorem rate from 0.2 basis points (bps) to 0.42 bps for all Exchange Trades<sup>3</sup>, ensures that settlement costs are equitable, deterministic, and consistent across different trade sizes. This demonstrates HKEX's commitment to the continual enhancement to its securities market.

#### Key Market Indicators

	Six months ended 30 Jun 2025	Six months ended 30 Jun 2024
ADT of equity products traded on the Stock Exchange <sup>1</sup> (\$bn)	222.8 <sup>4</sup>	100.3
ADT of Northbound Trading – Shanghai-Hong Kong Stock Connect <sup>2</sup> (RMBbn)	80.9 <sup>4</sup>	64.4
ADT of Northbound Trading – Shenzhen-Hong Kong Stock Connect <sup>2</sup> (RMBbn)	90.4 <sup>4</sup>	65.8
ADT of Southbound Trading – Shanghai-Hong Kong Stock Connect <sup>2</sup> (\$bn)	69.1 <sup>4</sup>	21.5
ADT of Southbound Trading – Shenzhen-Hong Kong Stock Connect <sup>2</sup> (\$bn)	41.9 <sup>4</sup>	16.0
ADT of Northbound Bond Connect (RMBbn)	45.9 <sup>4</sup>	44.5
Average daily number of trades of equity products traded on the Stock Exchange <sup>1</sup> ('000)	3,129 <sup>4</sup>	1,809
Average value per trade of equity products traded on the Stock Exchange (\$'000)	71.2	55.5
Average daily value of SIs for Stock Exchange trades (\$bn)	377.7	232.9
Average daily number of SIs for Stock Exchange trades ('000)	120	98
Average value per SI for Stock Exchange trades (\$'000)	3,160	2,377
Average daily value of SIs for Northbound Trading of Stock Connect (RMBbn)	25.7	25.1
Number of newly listed companies on the Main Board <sup>3</sup>	44	29
Number of newly listed companies on GEM	-	1
Total equity funds raised		
- IPOs (\$bn)	109.4	13.4
- Post-IPO (\$bn)	175.1	53.1
Portfolio values of Northbound Trading of Stock Connect at 30 Jun (RMBbn)	2,296	2,058
Portfolio values of Southbound Trading of Stock Connect at 30 Jun (\$bn)	5,127	2,865
Number of companies listed on the Main Board at 30 Jun	2,329	2,293
Number of companies listed on GEM at 30 Jun	316	324
Number of trading days	120	121
<sup>1</sup> Excludes DWs, CBBCs and warrants (which are included under the Equity and Financial Derivatives segment) and includes Southbound Trading under Stock Connect <sup>2</sup> Includes buy and sell trades under Stock Connect <sup>3</sup> Includes 1 transfer from GEM (1H 2024: nil) and 1 de-SPAC transaction (1H 2024: nil) <sup>4</sup> New record half-yearly high in 1H 2025		

<sup>3</sup> Excluding eligible market making trades for ETPs

On 4 August 2025, HKEX successfully implemented Phase 1 of reducing minimum spreads, which aims to foster a more favourable environment for improving market liquidity and strengthening the competitiveness of the Hong Kong securities market by narrowing bid-ask spreads and lowering transaction costs. Phase 2 of the minimum spreads reduction is tentatively scheduled for implementation around mid-2026, subject to the review of the results of Phase 1.

## Clearing and Settlement

Considering the widespread accessibility of internet systems and the decreasing usage of the CCASS Phone System, HKEX has decommissioned the CCASS Phone System service effective 31 May 2025. All account operations previously conducted via the CCASS Phone System have now transitioned to alternative digital channels. This marks a significant milestone in HKSCC's journey to modernise its infrastructure.

The Single Tranche Multiple Counter Settlement Model was successfully launched on 30 June 2025, streamlining the settlement arrangement for Multi-counter Eligible Securities (e.g., Dual Counter securities). With this enhancement, trades from different counters (e.g., HKD and RMB) are now settled in one batch under a domain settlement counter, eliminating the need for manual inter-counter transfers. In addition, a new "same stock netting" feature was introduced, allowing securities with the same ISIN to be netted across different currencies. These improvements are expected to enhance settlement efficiency, reduce operational and market risks, and support the handling of increasing transaction volumes across multiple trading counters.

In July 2025, HKEX published a discussion paper examining the accelerated settlement for the Hong Kong Cash Market, aiming to lead market-wide discussion and build consensus with industry participants on how and when to move to a shorter settlement cycle for Hong Kong. This demonstrated HKEX's commitment to supporting the continued modernisation of Hong Kong's financial market infrastructure.

## Issuer Business

Driven by the increase in listings from Mainland China and international issuers, Hong Kong regained its position as the world's No.1 IPO venue in 1H 2025. There were 44 new listings during this period, raising \$109.4 billion — more than eight times that of 1H 2024 — making it the strongest half-year since 2021. In May 2025, HKEX welcomed CATL, the largest IPO in Hong Kong since February 2021 and the largest IPO globally since 2023, raising \$41.0 billion. The subsequent listings of Jiangsu Hengrui, Foshan Haitian, and Zhejiang Sanhua<sup>4</sup>, further highlighted Hong Kong's position as the preferred fundraising venue for Mainland companies. There was also increased interest from international issuers in 1H 2025, as demonstrated by the listings of several companies from Southeast Asia<sup>5</sup>. As of 30 June 2025, the number of active IPO applications increased to 207, more than double the 84 applications at 31 December 2024. In 1H 2025, BYD Company Limited and Xiaomi Corporation raised \$43.5 billion and \$42.6 billion respectively through primary placements, bringing total follow-on issuance to \$244.8 billion — the highest half-year level since 2021.

## ETP Market Development

ADT of ETPs reached a record half-yearly high of \$37.9 billion in 1H 2025, up 163 per cent compared with 1H 2024, reflecting the increase in trading activities in the vibrant Cash Market and the growth of the Hong Kong ETP market. The Hong Kong ETP product ecosystem continued to expand, with 24 new ETP listings during 1H 2025, including the cross-listing of the world's largest Nasdaq 100 ETF, the listings of the first Hang Seng TECH Covered Call ETF, Asia's first Single Stock L&I Products, the world's first L&I Product offering exposure to a single Korean stock, and Asia's first Saudi sukuk ETF. The continued expansion of Hong Kong's ETP market product spectrum offers investors a diverse range of investment options and strengthens Hong Kong's position as Asia's leading ETF marketplace.

As at 30 June 2025, there were 17 Southbound ETFs and 248 Northbound ETFs included in Stock Connect. ADT for Southbound ETFs reached a record half-yearly high of \$3.8 billion in 1H 2025 and a record daily high of \$24.8 billion on 10 April 2025. ADT for Northbound ETFs was RMB2.6 billion in 1H 2025.

<sup>4</sup> Jiangsu Hengrui Pharmaceuticals Co., Ltd., Foshan Haitian Flavouring and Food Company Ltd., and Zhejiang Sanhua Intelligent Controls Co., Ltd.

<sup>5</sup> Nanshan Aluminium International Holdings Limited (Indonesia), Mirxes Holding Company Limited (Singapore) and IFBH Limited (Thailand)

## Bond Connect

Northbound Bond Connect trading activity maintained its overall growth momentum in 1H 2025, with trading volume of four separate trading days ranking among the top 10 on record, including a daily record high of RMB93.0 billion on 15 April 2025. As a result, ADT reached a record half-yearly high of RMB45.9 billion in 1H 2025, up 3 per cent compared with 1H 2024. Effective from 1 January 2025, Bond Connect service fees were reduced by 60 per cent to lower the transaction costs for overseas investors and to further promote the connectivity scheme.

## Listed Bond Market and Sustainable Finance

In 1H 2025, 147 new debt securities were listed on the Stock Exchange, raising more than \$487 billion. Among these were 52 new ESG-related bond listings, raising a total of \$121 billion. The total number of listed bonds reached 1,399 as at 30 June 2025, with their total amount outstanding exceeding \$4.7 trillion. There were a total of 167 sustainable-focused products displayed on HKEX's Sustainable and Green Exchange (STAGE).

## Integrated Fund Platform

HKEX is developing the Integrated Fund Platform (IFP) to support the growth of the fund distribution ecosystem and strengthen Hong Kong's position as a global wealth and asset management centre. Building on the success of the Fund Repository, which was launched in December 2024, the Order Routing Service was launched in July 2025. By enhancing communications between fund distributors and transfer agents, this new service streamlines fund message transmission and promotes greater efficiency and collaboration across Hong Kong's fund distribution network. The next phase of IFP development includes the provision of nominee services, as well as the facilitation of payments and settlement, subject to regulatory approval.

## Market Surveillance and Compliance

During 1H 2025, HKEX continued to promote transparency and a strong compliance culture across its business and markets, with key initiatives including the following:

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### Key initiatives on promoting market surveillance and compliance in 1H 2025

- Commenced the 2025 Annual Attestation and Inspection Programme with a focus on two areas: (1) China Connect rules and (2) risk management
  - Published market communication materials including:
    - (1) a circular to provide updated guidelines on the client margin requirements; and
    - (2) two compliance bulletins to remind market participants of the rules and requirements on various topics
  - Deployed system enhancement to support the implementation of the increased position limits for three Hang Seng Index derivative product suites, effective on 2 July 2025
  - Enhanced the Large Open Position Report account information submission process with Electronic Communication Platform
- 

## Listing Regulation

On 6 May 2025, the Stock Exchange and the SFC jointly announced the launch of the dedicated Technology Enterprises Channel to further facilitate new listing applications from prospective specialist technology companies and biotech companies, as well as a new confidential filing option for these companies.

On 30 May 2025, the Stock Exchange published the Information Paper on Rule Amendments to Implement an Uncertificated Securities Market and "Issuer Platform", outlining the consequential changes to the Listing Rules for transitioning to a fully electronic securities market in Hong Kong.

On 1 August 2025, the Stock Exchange published Conclusions and Further Consultation Paper on Proposals to Optimise IPO Price Discovery and Open Market Requirements. New Listing Rule requirements on IPO price discovery and open market requirements came into effect on 4 August 2025. Public comment period of the further consultation on ongoing public float proposals will end on 1 October 2025.



In addition, the Stock Exchange published the following guidance materials during 1H 2025:

#### Guidance materials

- Semi-annual Listing Regulation and Enforcement Newsletter
- New Listing Decisions on (i) concurrent share buyback with convertible bond offering and (ii) issuance of warrant in connection with offering of equity-linked-securities
- Recording of ESG Academy seminar “Developing Climate Strategies Amid Uncertainty: Scenario Planning and Analysis”

## Equity and Financial Derivatives Segment

### Analysis of Results

Revenue and other income (less transaction-related expenses) and EBITDA were up 16 per cent and 18 per cent respectively compared with 1H 2024, mainly attributable to the increased trading and listing activities of structured products and higher net investment income of Margin Funds.

Trading fees of DWs, CBBCs and warrants were up 64 per cent compared with 1H 2024. The increase was lower than the 72 per cent increase in ADT, due to a smaller percentage increase in notional values of newly listed DWs and CBBCs.

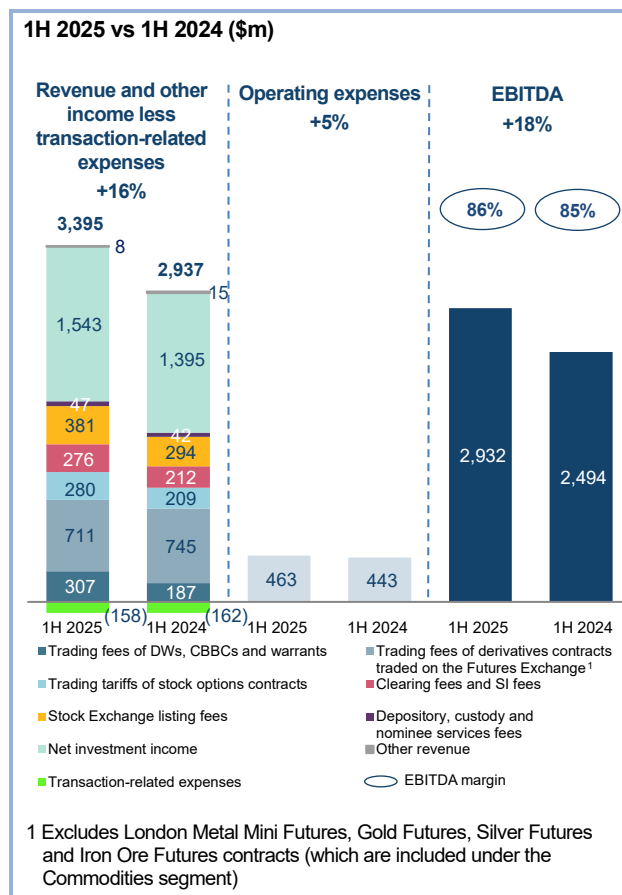
Futures Exchange derivatives trading fees decreased by \$34 million, or 5 per cent, due to a lower number of derivatives contracts traded and a lower average fee per contract in 1H 2025, attributable to higher discounts and rebates offered for certain contracts to attract volumes, and increased popularity of lower-fee products such as Hang Seng TECH Index Futures.

Trading tariffs of stock options contracts increased by \$71 million, or 34 per cent, due to an increase in ADV of stock options, and a higher average fee per contract in 1H 2025, attributable to more active trading of options with a higher fee tier.

Stock Exchange listing fees rose by 30 per cent, driven by an increase in the number of newly listed DWs and CBBCs compared with 1H 2024, following heightened market volatility.

Net investment income increased by \$148 million, or 11 per cent, compared with 1H 2024, mainly attributable to a higher average Margin Fund size from higher margin requirements, and an increase in open interest of derivatives contracts.

Operating expenses increased by 5 per cent due to higher staff costs from payroll adjustments, and higher allocated costs of the Listing Division, arising from the higher percentage increase in listing fees under this segment (30 per cent) comparing with the Cash segment (1 per cent). The increase was partly offset by the decrease in incentives for derivatives products.



## Business Update

The Hong Kong Derivatives Market continued to exhibit an upward trend in 1H 2025, demonstrating both resilience and robustness. ADV of derivatives contracts traded<sup>6</sup> (i.e., all futures and options contracts including stock options) reached a new record half-yearly high of 1,700,322 contracts in 1H 2025, up 11 per cent compared with 1H 2024. This was mainly attributable to the increase in trading volumes of stock options, Hang Seng TECH Index Futures and USD/CNH Futures.

A number of futures and options contracts reached single-day record highs in volume and open interest (OI) during 1H 2025:

	<b>Single-day Trading Volume*</b>	
	<b>Date (2025)</b>	<b>Number of contracts</b>
Hang Seng TECH Index Futures	<b>24 Feb</b>	<b>469,133</b>
Weekly Hang Seng Index Options	<b>13 Feb</b>	<b>42,280</b>
Hang Seng TECH Index Futures Options	<b>7 Feb</b>	<b>24,820</b>

\* Only include futures or options with single-day trading volume of over 10,000 contracts

	<b>Open Interest*</b>	
	<b>Date (2025)</b>	<b>Number of contracts</b>
Stock Options	<b>27 Mar</b>	<b>19,697,919</b>

\* Only include futures or options with open interest of over 10,000 contracts

## Key Market Indicators

	<b>Six months ended 30 Jun 2025</b>	<b>Six months ended 30 Jun 2024</b>
ADT of DWs, CBBCs and warrants traded on the Stock Exchange (\$bn)	<b>17.4</b>	10.1
Average daily number of trades of DWs, CBBCs and warrants traded on the Stock Exchange ('000)	<b>341</b>	237
ADV of derivatives contracts traded on the Futures Exchange <sup>1</sup> ('000 contracts)	<b>832</b>	837
ADV of stock options contracts traded on the Stock Exchange ('000 contracts)	<b>868<sup>3</sup></b>	696
Number of newly listed DWs	<b>4,215</b>	3,404
Number of newly listed CBBCs	<b>16,007</b>	11,556
Total notional values of newly listed securities:		
- DWs (\$bn)	<b>76.4</b>	54.7
- CBBCs (\$bn)	<b>644.2</b>	438.7
ADV of contracts traded during After-Hours Trading (AHT) <sup>1</sup> ('000 contracts)	<b>113</b>	96
Number of trading days <sup>2</sup>	<b>128</b>	129
	<b>At 30 Jun 2025</b>	<b>At 30 Jun 2024</b>
Open interest of futures and options contracts <sup>1</sup> ('000 contracts)	<b>15,152</b>	13,163

<sup>1</sup> Excludes London Metal Mini Futures, Gold Futures, Silver Futures and Iron Ore Futures contracts (which are included under the Commodities segment)

<sup>2</sup> Includes 8 holiday trading days (1H 2024: 8)

<sup>3</sup> New record half-yearly high in 1H 2025

## Equity Futures and Options Market

Driven by investor interest in Mainland China's technology sector, Hang Seng TECH Index Futures and Options grew significantly in 1H 2025. The aggregate ADV of the four products in the suite, namely Hang Seng TECH Index Futures, Hang Seng TECH Index Options, Hang Seng TECH Index Futures Options and Weekly Hang Seng TECH Index Options, reached 169,643 contracts in 1H 2025, representing a 36 per cent increase from 1H 2024. The aggregate OI reached 247,092 contracts as at 30 June 2025, up 16 per cent from 31 December 2024. In particular, Hang Seng TECH Index Futures Options and Hang Seng TECH Index Futures contracts reached daily record highs of 24,820 contracts on 7 February 2025 and 469,133 contracts on 24 February 2025 respectively.

The stock options market recorded significant growth in 1H 2025. ADV of stock options reached a record half-yearly high of 868,128 contracts, up 25 per cent compared with 1H 2024. OI for stock options increased to 13,374,869 contracts as at 30 June 2025, up 22 per cent from 31 December 2024. On 20 May 2025, HKEX introduced CATL's stock options on the company's listing date, and over 34,000 CATL's stock option contracts were traded on that day, setting a record for the highest stock option activity on the first listing day of a single stock option.

The newly-introduced Weekly Stock Options experienced robust growth since their launch on 4 November 2024. In view of the popularity of the product, HKEX introduced CATL as the 11th underlying stock to the suite on 2 June 2025. Aggregate ADV of Weekly Stock Options reached 84,095 contracts in 1H 2025, accounting for 21 per cent of the stock options volume of the corresponding 11 underlying stocks.

<sup>6</sup> Excludes London Metal Mini Futures, Gold Futures, Silver Futures and Iron Ore Futures contracts (which are included under the Commodities segment)

## **FIC Development**

USD/CNH Futures contract maintained its growth in 1H 2025, with ADV reaching 113,825 contracts, up 44 per cent compared with 1H 2024. In particular, ADV of the contract hit a record monthly high of 129,873 contracts in February 2025.

On 4 March 2025, HKEX signed a Memorandum of Understanding with CMU OmniClear Limited. CMU OmniClear Limited, which was established to carry out the operations of the Central Moneymarkets Unit on behalf of the HKMA, committed to exploring initiatives jointly with HKEX to enhance Hong Kong's post-trade securities infrastructure. This collaboration aims to support the long-term development of the FIC ecosystem in Hong Kong. The areas of cooperation include realising cross-asset class efficiencies across equities and fixed income, expanding the mobilisation of Mainland bonds as collateral, enhancing Hong Kong as a bond issuance centre and developing an international central securities depository in Asia.

## **Market Structure Development**

On 23 June 2025, HKCC and SEOCH implemented a new scheduled intra-day margin call arrangement, enhancing the predictability of intra-day margin calls, and enabling CPs to arrange their funding more effectively.

On 24 June 2025, HKEX obtained regulatory approval for the increase of the exchange-level position limits for futures and options contracts based on HSI, HSCEI and Hang Seng TECH Index. Such changes became effective from 2 July 2025. This demonstrates HKEX's ongoing efforts to support Hong Kong's position as a global risk management centre and the development of the Derivatives Market.

## **Structured Products**

Driven by the positive sentiment in the Cash Market, ADT of DWs, CBBCs and warrants reached \$17.4 billion, up 72 per cent compared with 1H 2024. With the increase in market volatility in February and April 2025, there were 20,222 newly listed DWs and CBBCs in 1H 2025, up 35 per cent compared with 1H 2024.

HKEX's structured products ecosystem continued to strengthen in 1H 2025. The range of eligible underlyings for DW issuance was broadened to include notable Hong Kong IPOs (such as MIXUE Group and CATL), the Invesco QQQ Trust, and several leading Japanese equities. HKEX also launched its first USD-denominated structured product in 1H 2025. These enhancements reinforce HKEX's commitment to offering capital-efficient, diversified investment solutions to support risk management and a wider range of trading strategies. They also contribute to deepening connectivity across global investor communities, enabling participants to capture market opportunities and hedge their risks.

Ongoing initiatives to strengthen investor engagement and improve product transparency are also underway. These include a refreshed Structured Products section on the HKEX Market website. In recognition of its market leadership, HKEX was named the "Best Structured Products and Derivatives Exchange 2025" by Structured Retail Products in June 2025.

## **OTC Clear**

Swap Connect continued its strong growth momentum, with the average daily clearing volume reaching a record half-yearly high of RMB21.9 billion, up 72 per cent compared with 1H 2024. USD Interest Rate Swap clearing volume increased significantly and reached a record half-yearly high of US\$35.9 billion, nearly five times of 1H 2024. As a result, OTC Clear's total clearing volume reached a record half-yearly high of US\$828.1 billion in 1H 2025, up 71 per cent compared with 1H 2024.

In 1H 2025, OTC Clear began accepting Chinese Government Bonds and Policy Bank Bonds held by offshore investors through Bond Connect as eligible non-cash collateral. This began on 13 January 2025 for Northbound Swap Connect transactions, allowing offshore investors to use these bonds for initial margin requirements. The scope was further expanded on 21 March 2025, when OTC Clear began accepting these bonds as margin collateral for all derivative transactions cleared. This initiative improves margin efficiency and reduces funding costs of Clearing Members, further enhancing the attractiveness of RMB-denominated assets and promoting the internationalisation of RMB.



Effective from 30 June 2025, OTC Clear extended the maximum tenor for Northbound Swap Connect trades to 30 years. This enhancement facilitates offshore investors in hedging and managing long-term interest rate risks, broadens Hong Kong's RMB ecosystem, and strengthens the city's position as an international financial centre.

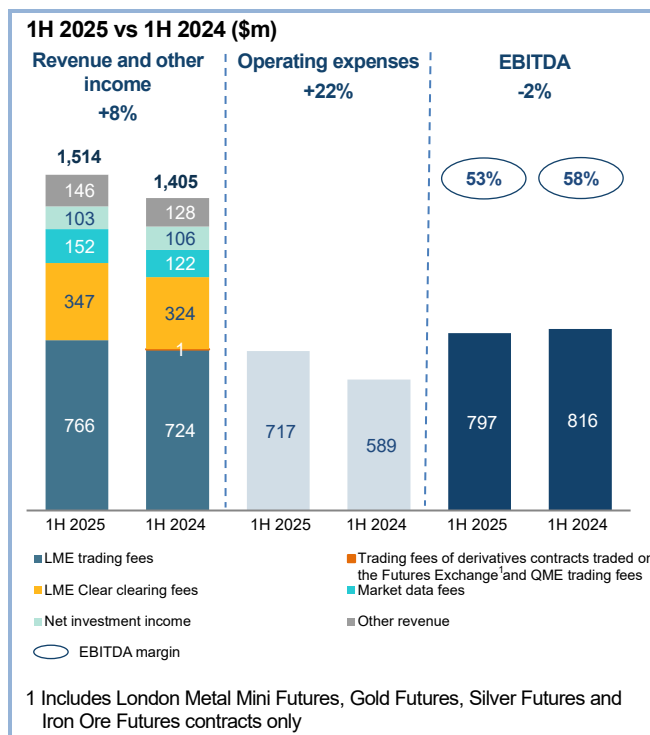
## Commodities Segment

### Analysis of Results

Revenue and other income was up 8 per cent compared with 1H 2024, mainly attributable to higher trading and clearing fees from both volume and fee increases. EBITDA was down 2 per cent, as the increase in revenue and other income was more than offset by the increase in operating expenses.

LME trading fees and LME Clear clearing fees rose by 6 per cent and 7 per cent respectively, attributable to a 3 per cent increase in chargeable ADV of metal contracts traded, and an average 5 per cent increase in trading and clearing fee tariffs, effective 1 January 2025.

Operating expenses increased by 22 per cent, attributable to a non-recurring \$90 million fine paid to the FCA in 1H 2025, and the recovery of legal fees of \$50 million from the claimants in 1H 2024, both relating to the nickel market events in 2022. Excluding such non-recurring items, operating expenses were down by 2 per cent, as lower fees were incurred for the judicial review relating to the nickel market events.



### Business Update

#### LME

Driven by increased volatility, LME chargeable ADV reached 733 thousand lots in Q2 2025, marking the highest quarterly level since 2014 and the second highest on record. As a result, LME chargeable ADV in 1H 2025 reached 715 thousand lots, up 3 per cent against 1H 2024.

On 20 January 2025, the LME approved Hong Kong as a new warehouse Delivery Point. During 1H 2025, the LME announced the approval of eight LME-licensed warehouse facilities in Hong Kong, which are operated by five warehouse companies. This paved the way for Hong Kong to become a new LME Delivery Point on 15 July 2025, bringing the LME warehousing network closer to the key metals centres of Mainland China. In preparation of this, the LME delivered off-warrant stock reporting for Hong Kong effective from 1 July 2025.

#### Key Market Indicators

	Six months ended 30 Jun 2025 '000 lots	Six months ended 30 Jun 2024 '000 lots
ADV of metals contracts traded on the LME		
- Aluminium	278	276
- Copper	167	163
- Zinc	108	107
- Lead	71	72
- Nickel	81	64
- Others	10	12
Total chargeable ADV excluding Admin Trades <sup>1</sup>	715	694
Chargeable Admin Trades <sup>1</sup>	45	38
Total ADV	760	732
Number of trading days	124	125
	At 30 Jun 2025 '000 lots	At 30 Jun 2024 '000 lots
Total futures market open interest	1,898	1,900

<sup>1</sup> Admin Trades are chargeable at a lower trading fee rate of US\$0.04 and clearing fee rate of US\$0.02 per contract

During 1H 2025, the LME continued to focus on modernising its market structure to enhance liquidity, transparency, and price competition, with key initiatives as set out below:

- In 1H 2025, the LME held a consultation on proposed rule changes, including those relating to block thresholds and crossing rules. While feedback was mixed in certain areas, most members were broadly supportive of the package of measures.
- The LME started publishing daily off-warrant stock reporting from 1 April 2025, giving a breakdown of off-warrant stock by metal per region and location. This marks a significant step forward in delivering greater transparency of stocks across the LME warehouse network.

From a sustainability perspective, the LME announced its intention to start exploring the discovery of sustainable metal premia for certain metals (aluminium, copper, nickel and zinc) on 23 April 2025. This initiative builds on the existing low carbon pricing model for nickel. The objective is to make sustainability-related price differentials transparent, thereby supporting the development of the market for sustainable metals. The LME is currently engaging with the market on its proposals.

In May 2025, the LME hosted its annual LME Asia Week in Hong Kong, which is an annual gathering bringing together industry leaders and market participants from metals and financial communities around the world. The event featured the LME Chairman's Cocktail Reception, the LME Asia Metals Seminar and the LME Asia Dinner, which was attended by more than 2,000 guests.

On 29 January 2025, the UK Supreme Court refused permission for Elliott<sup>7</sup> to appeal the judgement made by the UK Court of Appeal in October 2024 relating to judicial review of the events in the nickel market in March 2022. The proceedings have now concluded. The three related Human Rights Act (HRA) claims issued in 2023, which had been stayed pending the final determination of the judicial review proceedings, have all been withdrawn by the HRA claimants.

On 20 March 2025, the LME reached a settlement agreement with the FCA regarding its enforcement investigation relating to the nickel market events, which draws the process to a close. The FCA's Final Notice recognised that large positions held on the OTC market were the principal driver of the extraordinary price rises at the time, and that the LME did not have visibility of the OTC positions. The LME noted that the significant work undertaken by both the LME and the FCA has materially reduced the risk of such an event from occurring again.

## **LME Clear**

On 11 February 2025, LME Clear issued its consultation decision and related rule changes regarding its proposals to introduce a range of measures to further bolster market resilience. These included the introduction of a default fund mutualisation limit and anti-procyclicality control, effective from 28 February 2025, as well as an increase in the minimum net capital requirements for members, effective from 12 May 2025.

With the objective of moving towards a "defaulter pays" model, LME Clear enhanced its Initial Margin methodology and introduced a new Stress Loss Additional Margin in 1H 2025. These changes came into effect on 3 March 2025 following extensive market engagement.

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<sup>7</sup> Elliott Associates L.P. and Elliott International L.P.

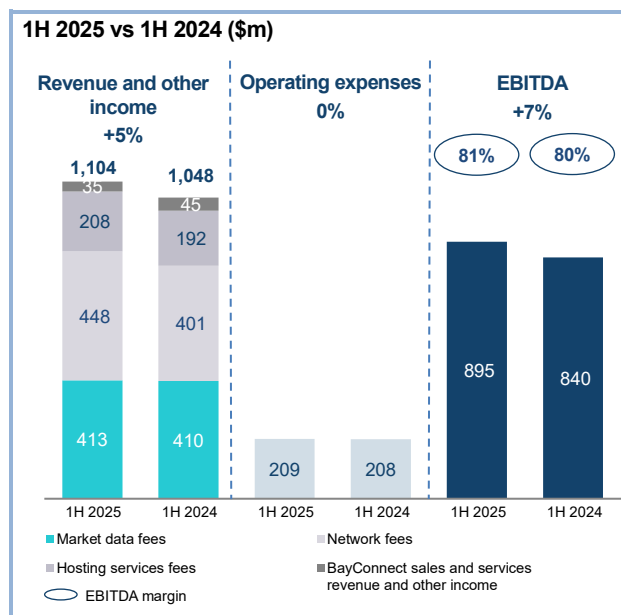
## Data and Connectivity Segment

### Analysis of Results

Revenue and other income was up 5 per cent and EBITDA was up 7 per cent compared with 1H 2024, mainly due to the increase in network fees and hosting services fees.

Network fees rose by 12 per cent due to increased usage of the Orion Central Gateway and China Connect Central Gateway by EPs, and higher fees from the sale of new throttles.

Hosting services fees increased by 8 per cent due to growth in both new customer subscriptions and increased usage by existing customers. As at 30 June 2025, 100 EPs were using HKEX's Hosting Services. These EPs generated, in aggregate, approximately 72 per cent of the Cash Market turnover and 66 per cent of the Derivatives Market trading volume.



### Business Update

#### Data Business

HKEX is fully committed to enhancing the vibrancy of Hong Kong's financial markets and providing richer and broader data coverage to support the evolving needs of global investors in forming their investment strategies. The launch of HKEX Data Marketplace has enhanced HKEX's brand presence in providing comprehensive historical and reference data directly to clients. HKEX will continue to enhance its product catalogue and platform capability to meet evolving client's needs.

#### Trading and Clearing Systems

During 1H 2025, all HKEX's major trading, clearing, settlement and market data dissemination systems for the Cash, Derivatives, Commodities and OTC Markets continued to perform robustly.

In March 2025, HKEX refreshed the hardware for Orion Trading Platform - Securities Market (OTP-C) to enhance system resilience and mitigate operational risk.

On 24 March 2025, the LME launched its new trading platform, LMEselect v10 and market data offering, LMEsource v4. Following the smooth roll-out, the trading platform was swiftly put to the test with record trading activities in April 2025, during which it performed robustly. The new trading platform provides reliable and predictable latency and was developed in-house specifically for the LME market needs, and the LME is now able to deliver new functionality and enhance the data made available to the market to meet evolving needs of the physical metals and financial trading communities.

## Corporate Items

### Analysis of Results

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Net investment income	1,044	901
Donation income of HKEX Foundation	78	30
Other revenue and sundry income		
- Gain arising on lease modification	76	-
- Others	8	9
Total revenue and other income	1,206	940
Operating expenses		
- HKEX Foundation charitable donations	(52)	(74)
- Others	(902)	(860)
EBITDA	252	6

The analysis of net investment income of Corporate Funds is as follows:

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Net investment income/(loss) from:		
- External Portfolio	202	233
- Cash and bank deposits <sup>1</sup>	433	622
- Equity securities <sup>2</sup>	5	(32)
- Debt securities	241	75
- Exchange gains	163	3
Total net investment income	1,044	901
Average fund size (\$bn)	36.4	33.8
Annualised net investment return	5.73%	5.33%

<sup>1</sup> Including foreign exchange swaps

<sup>2</sup> Investments in minority stakes of unlisted companies

Net investment income of Corporate Funds was \$1,044 million, 16 per cent higher than 1H 2024, mainly due to higher fund size, and a non-recurring exchange gain arising mainly from the appreciation of USD against HKD.

The fair value gains/(losses) on the External Portfolio came from funds invested in the following strategies:

Strategy	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Public Equities	5	100
Diversifiers	132	151
Government Bonds and Mortgage-backed Securities	65	(18)
Total	202	233

To provide funds for the purchase of HKEX permanent headquarters premises, the External Portfolio was fully redeemed in Q2 2025, with proceeds returning to the Group following the expiration of any applicable lock-up periods. For further details, please refer to the Financial Review section of this announcement.

Included in other revenue and sundry income was a one-off accounting gain arising from lease modification, following the shortening of the lease term and waiver of reinstatement cost of the existing office leases at Exchange Square as a result of the purchase of HKEX headquarters premises.

Excluding HKEX Foundation charitable donation expenses, operating expenses increased by \$42 million, mainly attributable to the increase in IT costs due to inflationary adjustments on contract renewals, and higher professional fees incurred for strategic initiatives, partially offset by lower staff costs due to the one-off retirement benefits payable to senior management in 1H 2024.

## **Business Update**

### **Purchase of Permanent Headquarters Premises**

On 24 April 2025, HKEX agreed to purchase from Hongkong Land, permanent headquarters premises within Exchange Square. The acquisition represents a unique strategic investment opportunity for HKEX to own its permanent office, reaffirming its long-term commitment to the growth and future development of Hong Kong as a leading global financial centre. The subject properties comprise nine whole floors in One Exchange Square, as well as units located on the first and second floor of Exchange Square. The aggregate consideration is \$6.3 billion and the payment will be funded entirely by HKEX's Corporate Funds. As part of the transaction, enhancement project works will be conducted at Exchange Square and its surroundings to enable HKEX to meet evolving business and operational needs over the longer term, better support its engagement with stakeholders, as well as reflect HKEX's standing as a global exchange. Hongkong Land has agreed to contribute towards the costs of the enhancement project works up to a maximum of \$400 million. Completion of the acquisition is targeted to take place in phases over the next 12 to 18 months from the date of agreement, subject to Hongkong Land being able to deliver vacant possession of the subject properties. For further details, please refer to our announcement dated 24 April 2025.

As at 30 June 2025, the Group has taken possession of three whole floors in One Exchange Square for a consideration of \$1.8 billion.

### **Collaboration with WEF**

In March 2025, HKEX collaborated with the World Economic Forum (WEF) to host WEF's first financial-services event in Hong Kong, demonstrating HKEX's commitment to connecting global capital with the region's opportunities. HKEX will continue to collaborate with international partners to bring global conversations to Asia, drive sustainable progress in the financial services sector, and explore solutions to key global issues.

### **25th Anniversary Celebrations**

HKEX marked its 25th anniversary in June — celebrating a quarter-century of innovation, resilience, vibrancy, and growth — with a commemorative ceremony at Connect Hall. The event featured an engaging panel discussion with former HKEX Chairs, as well as the presence of Hong Kong Financial Secretary Paul Chan and other distinguished guests of honour from the financial community. As part of the anniversary programme, HKEX launched a two-week celebration with the first-ever HKEX Gong Tour, bringing the iconic HKEX Gong to the wider Hong Kong community at nine locations across the city. The tour attracted over 4,200 visitors, who joined around 100 HKEX ambassadors at the Gongmobile to take photos, play interactive games and learn about the rich history of Hong Kong's capital markets.

## Sustainability

As a market regulator and an exchange operator, HKEX continued to promote the development of a vibrant sustainable finance ecosystem through facilitating capital flow to sustainability-related opportunities and enhancing ESG transparency in the markets where it operates. In April 2025, HKEX partnered with the SFC to co-host the inaugural International Carbon Markets Summit, where over 200 representatives from local and overseas regulators, trading platforms, investors and corporates discussed the opportunities for developing global voluntary carbon markets and promoting collaboration for cross-border carbon asset trading. In June 2025, HKEX co-hosted the International Dialogue on the Voluntary Carbon Market, a sub-forum of the 2025 National Low-Carbon Day, in partnership with China Beijing Green Exchange, National Centre for Climate Change Strategy and International Cooperation and China Emissions Trading Association, to discuss the opportunities and challenges of China's participation in the international voluntary carbon markets under the Paris Agreement. To enhance the climate resilience of listed companies, HKEX conducted an ESG Academy seminar, supporting businesses in conducting climate scenarios analysis. Through the LME, the Group announced its plan to explore the potential for producing sustainable metal premia for LME-listed brands.

As a corporate, HKEX is dedicated to supporting its employees and embedding climate actions into its strategy and business practices. In its ongoing efforts to foster a workplace that prioritises employee development, wellness and engagement, the Group rolled out the HKEX Competency Framework, designed to empower its employees to develop a set of identified skills and behaviours that enable them to successfully perform their jobs and continue to thrive in their careers. In addition, HKEX continued to organise a series of staff activities focused on fitness, mental wellness and diversity, providing platforms for employees to connect and share their experiences. HKEX is pleased that its science-based emissions reduction targets were approved by the SBTi, marking a significant milestone in its net-zero journey. The Group also ran the annual HKEX Goes Green campaign, raising environmental awareness and promoting eco-friendly practices among its employees.

## HKEX Foundation and Group Philanthropy

HKEX Foundation, the Group's dedicated charitable arm, continued to drive positive impact in the local community through a range of meaningful programmes. During 1H 2025, the Foundation launched the Charity Partnership Programme 2025 and the Impact Funding Scheme 2025, supporting social enterprises and charities to deliver projects progressing financial literacy, social empowerment, talent development and environmental sustainability. To further support the community in addressing emerging social issues, the Foundation announced its plan to allocate at least \$25 million to set up a new flagship charity programme focusing on caregiver support.

## Expenses, Other Costs and Taxation

### Operating Expenses

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m	Change
Staff costs and related expenses	1,952	1,937	1%
IT and computer maintenance expenses	460	421	9%
Premises expenses	71	67	6%
Product marketing and promotion expenses	49	53	(8%)
Professional fees	89	46	93%
HKEX Foundation charitable donations	52	74	(30%)
Other operating expenses	300	196	53%
Total	2,973	2,794	6%

Staff costs and related expenses increased by \$15 million (1 per cent) mainly due to payroll adjustments, partly offset by the one-off retirement benefits payable to senior management in 1H 2024.

IT and computer maintenance expenses increased by \$39 million (9 per cent), attributable to inflationary adjustments on contract renewals.

Professional fees increased by \$43 million (93 per cent), as a \$50 million recovery of legal fees, relating to the events in the nickel market in 2022, was recognised in 1H 2024.

Other operating expenses increased by \$104 million (53 per cent), mainly attributable due to a non-recurring fine of \$90 million paid to the UK FCA in 1H 2025.

## Depreciation and Amortisation

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m	Change
Depreciation and amortisation	743	698	6%

Depreciation and amortisation increased by \$45 million (6 per cent), mainly due to the launch of new LME trading platform in March 2025. The increase was partly offset by a decrease in depreciation of right-of-use assets resulting from early termination of certain leases in connection with purchase of HKEX headquarters premises in 1H 2025, and lower rent on renewal of certain office leases effective from June 2024.

## Finance Costs

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m	Change
Finance costs	49	59	(17%)

Finance costs decreased due to lower interest expense on lease liabilities, and lower negative interest charges for JPY, which was no longer subject to negative interest since April 2024.

## Taxation

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m	Change
Taxation	1,602	766	109%

Taxation charge more than doubled, due to increase in profit before taxation, and provision for the new top-up tax under the Pillar Two model rules. As a result, the Group's effective tax rate increased to 15.8 per cent in 1H 2025 (1H 2024: 11.0 per cent).



## FINANCIAL REVIEW

### Net Investment Income of Margin Funds and Clearing House Funds

Net investment income of Margin Funds and Clearing House Funds increased by 13 per cent compared with 1H 2024, reflecting the higher fund sizes in Hong Kong driven by higher margin requirements, partly offset by lower net investment return. Further analysis on net investment income of Margin Funds and Clearing House Funds is set out below:

	Six months ended 30 Jun 2025				Total \$m
	HK Clearing Houses		LME Clear		
	Margin Funds \$m	Clearing House Funds \$m	Margin Funds \$m	Clearing House Funds \$m	
Net investment income from:					
- Cash and bank deposits <sup>1</sup>	1,006	136	69	9	1,220
- Debt securities	494	90	22	3	609
- Exchange gains	2	-	-	-	2
Total net investment income	1,502	226	91	12	1,831
Average fund size (\$bn)	136.3	20.4	61.9	8.6	227.2
Annualised net investment return	2.20%	2.22%	0.29%	0.28%	1.61%

	Six months ended 30 Jun 2024				Total \$m
	HK Clearing Houses		LME Clear		
	Margin Funds \$m	Clearing House Funds \$m	Margin Funds \$m	Clearing House Funds \$m	
Net investment income/(loss) from:					
- Cash and bank deposits <sup>1</sup>	1,135	160	85	10	1,390
- Debt securities	166	54	10	1	231
- Exchange losses	(1)	-	-	-	(1)
Total net investment income	1,300	214	95	11	1,620
Average fund size (\$bn)	100.2	13.9	74.7	9.0	197.8
Annualised net investment return	2.60%	3.08%	0.25%	0.24%	1.64%

<sup>1</sup> Including foreign exchange swaps

Net investment income of Margin Funds and Clearing House Funds are allocated to the following segments:

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m	Change
Cash	185	119	55%
Equity and Financial Derivatives	1,543	1,395	11%
Commodities	103	106	(3%)
Total	1,831	1,620	13%



## Significant Financial Assets and Financial Liabilities by Funds

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m	Change
<b>Financial assets</b>			
Cash and cash equivalents	173,897	134,365	29%
Financial assets measured at fair value through profit or loss	2,842	7,558	(62%)
Financial assets measured at fair value through other comprehensive income	44,117	50,704	(13%)
Financial assets measured at amortised cost	68,662	43,610	57%
Derivative financial instruments	58,848	67,747	(13%)
<b>Total</b>	<b>348,366</b>	<b>303,984</b>	<b>15%</b>

The Group's financial assets comprised financial assets of Corporate Funds, Margin Funds, Clearing House Funds, derivative financial instruments (including base and ferrous metals derivatives contracts, and foreign exchange derivative contracts), and cash prepayments and collateral for A-shares traded under Stock Connect, as follows:

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m	Change
<b>Financial assets</b>			
Corporate Funds <sup>1</sup>	37,610	36,880	2%
Margin Funds <sup>2</sup>	220,792	168,455	31%
Clearing House Funds	30,396	28,727	6%
Derivative financial instruments	58,848	67,747	(13%)
Cash prepayments and collateral for A-shares	720	2,175	(67%)
<b>Total</b>	<b>348,366</b>	<b>303,984</b>	<b>15%</b>

1 Includes \$1,977 million (31 December 2024: \$2,080 million) solely used for supporting contributions to default funds (Skin-in-the-Game), and default fund credits for Clearing House Funds

2 Excludes Settlement Reserve Fund and Settlement Guarantee Fund paid to ChinaClear under Stock Connect, inter-central counterparties (inter-CCP) margin paid to Shanghai Clearing House (SHCH) under Swap Connect, and margin receivable from CPs of \$13,716 million (31 December 2024: \$20,402 million), which are included in accounts receivable, prepayments and deposits

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m	Change
<b>Financial liabilities</b>			
Derivative financial instruments	58,920	67,863	(13%)
Margin deposits, Mainland security and settlement deposits, and cash collateral from Participants	234,508	188,857	24%
CPs' contributions to Clearing House Funds	28,631	27,124	6%
<b>Total</b>	<b>322,059</b>	<b>283,844</b>	<b>13%</b>

The increase in financial assets and financial liabilities of Margin Funds at 30 June 2025 compared with 31 December 2024 was attributable to increased contributions from HKCC CPs and SEOCH CPs due to higher margin requirements of futures and options contracts, and higher open positions of stock options contracts.

The increase in financial assets and financial liabilities of Clearing House Funds at 30 June 2025 compared with 31 December 2024 was mainly due to higher contributions from OTC Clear CPs and SEOCH CPs, partly offset by lower contributions from HKCC CPs, in response to changes in risk exposures.

Margin Funds and Clearing House Funds of LME Clear are mainly invested in overnight reverse repurchase investments, where high quality assets are held against such investments as collateral. In Hong Kong, Clearing House Funds are predominantly kept overnight or invested in Exchange Fund Bills issued by the HKMA due to regulatory requirements. For Margin Funds, a certain proportion of the funds is kept overnight to meet withdrawal requests from CPs (approximately 32 per cent at 30 June 2025), a certain proportion is invested in investment grade debt securities with maturity over 12 months (approximately 7 per cent at 30 June 2025) and the remaining funds are invested in debt securities and time deposits with maturity of up to 12 months (weighted remaining maturity of six months as at 30 June 2025).

Financial assets of Corporate Funds at 30 June 2025 increased by 2 per cent compared with 31 December 2024, with cash generated by the business over the past six months and the net increase in fair values of the External Portfolio being partly offset by the cash paid for the 2024 second interim dividend and payment of capital expenditure.

A portion of the Corporate Funds is invested in a diversified portfolio of investment funds which are designed to enhance returns and mitigate portfolio volatility and asset class concentration risk. Further details of investments in the External Portfolio are as follows:

Strategy	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m	Change
Diversifiers	2,441	4,337	(44%)
Government Bonds and Mortgage-backed Securities	-	2,800	(100%)
Public Equities	67	92	(27%)
Total	2,508	7,229	(65%)

To fund the acquisition of HKEX headquarters premises (refer to the Business Review section of this announcement for details), the External Portfolio was fully redeemed in Q2 2025, with proceeds returning to the Group following the expiration of any applicable lock-up periods. During 1H 2025, the Group received \$4.3 billion from the redemption of the External Portfolio, with an additional \$0.6 billion subsequently received in Q3 2025 and recorded as receivables as at 30 June 2025.

## Working Capital, Financial Resources and Gearing

Working capital decreased by \$1,248 million to \$27,803 million at 30 June 2025 (31 December 2024: \$29,051 million). The decrease was primarily due to 2024 second interim dividend of \$6,193 million, the increase in fixed and intangible assets, right-of-use assets, and prepayments for acquisition of HKEX headquarters premises of \$2,590 million, and the increase of long-term financial assets held under Corporate Funds of \$1,735 million. The decrease was partly offset by profit of \$8,519 million generated during 1H 2025, the decrease in long-term lease liabilities of \$373 million and the non-current tax liabilities relating to Pillar Two income tax of \$363 million.

At 30 June 2025, the Group's outstanding borrowings represented written put options to non-controlling interests of \$395 million (31 December 2024: \$452 million). As a result, the Group had a gross gearing ratio (i.e., gross debt divided by adjusted capital) of 1 per cent (31 December 2024: 1 per cent), and a net gearing ratio (i.e., net debt divided by adjusted capital) of zero per cent (31 December 2024: zero per cent). For this purpose, gross debt is defined as total borrowings (excluding lease liabilities) and net debt<sup>8</sup> is defined as gross debt less cash and cash equivalents of Corporate Funds (excluding those reserved for supporting contributions to default funds and default fund credits for Clearing House Funds), and adjusted capital as all components of equity attributable to shareholders of HKEX other than designated reserves.

Banking facilities have been put in place for contingency purposes. At 30 June 2025, the Group's total available banking facilities for its daily operations amounted to \$25,944 million (31 December 2024: \$25,771 million), which included \$19,005 million (31 December 2024: \$18,847 million) of committed banking facilities and \$6,500 million (31 December 2024: \$6,500 million) of repurchase facilities. In addition, the Group has arranged a committed banking facility of \$7,000 million (31 December 2024: \$7,500 million) for certain periods of the year which needs higher liquidity requirements (including Severe Weather Trading Days) to cover operational needs and stress testing.

<sup>8</sup> Net debt is zero when the amount of cash and cash equivalents of Corporate Funds (excluding those reserved for supporting contributions to default funds and default fund credits for Clearing House Funds) is higher than gross debt.

The Group has also put in place foreign exchange facilities for its daily clearing operations and for the RMB Equity Trading Support Facility to support the trading of RMB stocks listed on the Stock Exchange. At 30 June 2025, the total amount of the facilities was \$33,534 million (31 December 2024: \$32,378 million).

In addition, the Group has arranged contingency banking facilities amounting to RMB13,000 million (31 December 2024: RMB13,000 million) for settling payment obligations to ChinaClear should there be events that disrupt normal settlement arrangements for Stock Connect.

At 30 June 2025, 84 per cent (31 December 2024: 74 per cent) of the Group's cash and cash equivalents were denominated in HKD or USD.

## **Capital Expenditure and Commitments**

The Group incurred capital expenditure<sup>9</sup> of \$2,657 million (1H 2024: \$612 million), of which \$1,805 million (1H 2024: \$Nil) were incurred for the acquisition of HKEX headquarters premises, and the remaining \$852 million (1H 2024: \$612 million) were mainly related to the development and upgrade of various trading and clearing systems (notably trading and clearing systems for Cash, Derivatives and Commodities Markets).

The Group's capital expenditure commitments at 30 June 2025, including those authorised by the Board but not yet contracted for, amounted to \$5,832 million (31 December 2024: \$1,702 million). These included the balance payment for the acquisition of HKEX headquarters premises of \$4,009 million (31 December 2024: \$Nil), and capital expenditure commitments mainly relating to the development and upgrade of IT systems including the cash, derivatives and commodities trading and clearing systems (notably the new trading, clearing and risk management systems for the Derivatives Market and upgrade of clearing systems of the Cash Market), as well as renovation and enhancement works relating to office premises.

## **Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets**

Save for those disclosed in this announcement, there were no other significant investments held, nor were there any material acquisitions or disposals of subsidiaries during the period under review. Apart from those disclosed in this announcement, there were no material investments or additions of capital assets authorised by the Board at the date of this announcement.

## **Pledges of Assets**

LME Clear receives securities and gold bullion as non-cash collateral for margins posted by its CPs. The total fair value of this non-cash collateral was US\$2,702 million (HK\$21,211 million) at 30 June 2025 (31 December 2024: US\$2,522 million (HK\$19,591 million)). LME Clear is obliged to return this non-cash collateral upon request when the CPs' collateral obligations have been substituted with cash collateral or otherwise discharged. LME Clear is permitted to sell or pledge such collateral in the event of the default of a CP. Any non-cash collateral lodged at central securities depositories or custodians is subject to a lien or pledge for the services they provide in respect of the collateral held.

LME Clear also holds securities as collateral in respect of its investments in overnight triparty reverse repurchase agreements under which it is obliged to return equivalent securities to the counterparties at maturity of the reverse repurchase agreements. The fair value of this collateral was US\$7,311 million (HK\$57,391 million) at 30 June 2025 (31 December 2024: US\$7,928 million (HK\$61,584 million)). Such non-cash collateral, together with certain financial assets amounting to US\$1,999 million (HK\$15,690 million) at 30 June 2025 (31 December 2024: US\$1,774 million (HK\$13,783 million)), have been pledged to LME Clear's investment agents, custodian and banks under security arrangements for the settlement, depository and funding line services they provide in respect of the collateral and investments held.

Non-cash collateral is not recorded on the condensed consolidated statement of financial position of the Group.

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<sup>9</sup> Exclude operating leases recognised as right-of-use assets

## Exposure to Fluctuations in Exchange Rates and Related Hedges

The functional currencies of the Hong Kong and Mainland entities are either HKD or RMB and the functional currency of the LME entities is USD. Foreign exchange risks arise mainly from the Group's investments and bank deposits in currencies other than HKD and USD and the GBP expenditure of the LME entities.

Forward foreign exchange contracts and foreign currency bank deposits may be used to hedge the currency exposure of the Group's non-HKD and non-USD assets and liabilities and highly probable forecast transactions to mitigate risks arising from fluctuations in exchange rates.

Foreign exchange swaps may be used for optimising foreign currency cash flows and yield enhancement while hedging the overall foreign exchange exposures of the Group.

Under the Group's Investment Policies, the net long or short position of each individual foreign currency (i.e., the net open position (NOP)) is monitored. The NOP exposures of USD, RMB and other foreign currencies should generally be kept within the limits as stipulated in the Investment Policies. For LME Clear, investments of Margin Fund and Default Fund will generally be in the currency in which cash was received.

The aggregate net open foreign currency positions (excluding the External Portfolio and equity securities) at 30 June 2025 amounted to HK\$2,776 million, of which HK\$90 million were non-USD exposures (31 December 2024: HK\$1,578 million, of which HK\$114 million were non-USD exposures).

## Contingent Liabilities

At 30 June 2025, the Group's material contingent liabilities were as follows:

- (a) The Group had a contingent liability in respect of potential calls to be made by the SFC to replenish all or part of compensation less recoveries paid by the Unified Exchange Compensation Fund established under the repealed Securities Ordinance up to an amount not exceeding \$71 million (31 December 2024: \$71 million). Up to 30 June 2025, no calls had been made by the SFC in this connection.
- (b) The Group had undertaken to indemnify the Collector of Stamp Revenue against any underpayment of stamp duty by its Participants of up to \$200,000 for each Participant. In the unlikely event that all of its 519 trading Participants (31 December 2024: 536) covered by the indemnity at 30 June 2025 defaulted, the maximum liability of the Group under the indemnity would amount to \$104 million (31 December 2024: \$107 million).
- (c) HKEX had given an undertaking in favour of HKSCC to contribute up to \$50 million in the event of HKSCC being wound up while it is a wholly-owned subsidiary of HKEX or within one year after HKSCC ceases to be a wholly-owned subsidiary of HKEX, for payment of the liabilities of HKSCC contracted before HKSCC ceases to be a wholly-owned subsidiary of HKEX, and for the costs of winding up.

## CHANGES SINCE 31 DECEMBER 2024

There were no other significant changes in the Group's financial position or from the information disclosed under Management Discussion and Analysis in the annual report for the year ended 31 December 2024.

## REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has reviewed the Group's Unaudited Condensed Consolidated Financial Statements for the six months ended 30 June 2025 in conjunction with HKEX's external auditor. Based on this review and discussions with the management, the Audit Committee was satisfied that the Unaudited Condensed Consolidated Financial Statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the six months ended 30 June 2025.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

Throughout the six months ended 30 June 2025, HKEX complied with all code provisions and, where appropriate, adopted the recommended best practices set out in the Corporate Governance Code in force during the period, with the exception of Code Provision B.2.2 (retirement by rotation of directors).

The Government Appointed Directors, all being Non-executive Directors, are not subject to election or re-election by Shareholders as their appointments are governed by the SFO. The Chief Executive Officer in her capacity as a Director is not subject to retirement by rotation, as her term on the Board is coterminous with her employment as the Chief Executive Officer with HKEX under HKEX's Articles of Association.

## **PURCHASE, SALE OR REDEMPTION OF HKEX'S LISTED SECURITIES**

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold, or redeemed any HKEX shares, except that the trustee of the Share Award Scheme, pursuant to the terms of the rules and trust deed of the Share Award Scheme, purchased on the Stock Exchange a total of 53,767 HKEX shares at a total consideration of \$19 million.

## **SUSTAINABLE WORKPLACE**

In May 2025, the Corporate Responsibility Committee approved adoption of the HKEX Workforce Diversity Policy Statement which outlines HKEX's commitment to cultivating and preserving a diverse and inclusive workplace and fostering an open and dynamic environment that allows its staff to thrive and reach their full potential. The Statement is available in the Sustainability section of the HKEX Group website.

During the six months ended 30 June 2025, the Group organised 55 in-house courses for employees to enhance their job knowledge, skills and well-being. Moreover, the Group sponsored a total of 38 employees to attend external training.

As at 30 June 2025, the Group had 2,423 permanent employees and 140 temporary employees. HKEX's remuneration policy has remained unchanged since the date of the 2024 Annual Report.

Details of HKEX's principles and practices related to governance and sustainability are set out in the Corporate Governance and Sustainability sections of the HKEX Group website.

# CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	Note	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Trading fees and trading tariffs		4,906	3,290
Clearing and settlement fees		3,155	2,125
Stock Exchange listing fees		816	725
Depository, custody and nominee services fees		668	542
Market data fees		565	532
Other revenue		924	848
<b>Revenue</b>		<b>11,034</b>	<b>8,062</b>
Investment income		4,996	5,536
Interest rebates to Participants		(2,121)	(3,015)
Net investment income	3	2,875	2,521
Donation income of HKEX Foundation		78	30
Sundry income	9	89	8
<b>Revenue and other income</b>		<b>14,076</b>	<b>10,621</b>
Less: Transaction-related expenses		(164)	(166)
<b>Revenue and other income less transaction-related expenses</b>		<b>13,912</b>	<b>10,455</b>
<b>Operating expenses</b>			
Staff costs and related expenses		(1,952)	(1,937)
IT and computer maintenance expenses		(460)	(421)
Premises expenses		(71)	(67)
Product marketing and promotion expenses		(49)	(53)
Professional fees		(89)	(46)
HKEX Foundation charitable donations		(52)	(74)
Other operating expenses		(300)	(196)
		<b>(2,973)</b>	<b>(2,794)</b>
<b>EBITDA (non-HKFRS measure)</b>		<b>10,939</b>	<b>7,661</b>
Depreciation and amortisation		(743)	(698)
<b>Operating profit</b>		<b>10,196</b>	<b>6,963</b>
Finance costs		(49)	(59)
Share of profits of joint ventures		17	48
<b>Profit before taxation</b>		<b>10,164</b>	<b>6,952</b>
<b>Taxation</b>	4	<b>(1,602)</b>	<b>(766)</b>
<b>Profit for the period</b>		<b>8,562</b>	<b>6,186</b>
<b>Profit attributable to:</b>			
Shareholders of HKEX		8,519	6,125
Non-controlling interests		43	61
<b>Profit for the period</b>		<b>8,562</b>	<b>6,186</b>
<b>Basic earnings per share</b>	5(a)	<b>\$6.74</b>	<b>\$4.84</b>
<b>Diluted earnings per share</b>	5(b)	<b>\$6.72</b>	<b>\$4.83</b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
<b>Profit for the period</b>	<b>8,562</b>	6,186
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Currency translation differences of foreign subsidiaries	198	(18)
Cash flow hedges, net of tax	70	(3)
Financial assets measured at fair value through other comprehensive income:		
- Changes in fair value, net of tax	199	14
- Net losses on disposal reclassified to profit or loss, net of tax	16	-
<b>Other comprehensive income/(loss)</b>	<b>483</b>	(7)
<b>Total comprehensive income</b>	<b>9,045</b>	6,179
<b>Total comprehensive income attributable to:</b>		
Shareholders of HKEX	9,000	6,119
Non-controlling interests	45	60
<b>Total comprehensive income</b>	<b>9,045</b>	6,179

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

		At 30 Jun 2025			At 31 Dec 2024		
	Note	Current \$m	Non-current \$m	Total \$m	Current \$m	Non-current \$m	Total \$m
<b>Assets</b>							
Cash and cash equivalents	7	173,897	-	173,897	134,365	-	134,365
Financial assets measured at fair value through profit or loss	7	1,848	994	2,842	6,901	657	7,558
Financial assets measured at fair value through other comprehensive income	7	39,538	4,579	44,117	47,562	3,142	50,704
Financial assets measured at amortised cost	7	67,173	1,489	68,662	42,082	1,528	43,610
Derivative financial instruments	7	58,848	-	58,848	67,747	-	67,747
Accounts receivable, prepayments and deposits	8	50,908	773	51,681	54,478	19	54,497
Tax recoverable		293	-	293	441	-	441
Interests in joint ventures		-	406	406	-	415	415
Goodwill and other intangible assets		-	19,939	19,939	-	19,605	19,605
Fixed assets	9	-	1,651	1,651	-	1,504	1,504
Right-of-use assets	9	-	2,529	2,529	-	1,174	1,174
Deferred tax assets		-	7	7	-	9	9
<b>Total assets</b>		<b>392,505</b>	<b>32,367</b>	<b>424,872</b>	<b>353,576</b>	<b>28,053</b>	<b>381,629</b>
<b>Liabilities and equity</b>							
<b>Liabilities</b>							
Derivative financial instruments		58,920	-	58,920	67,863	-	67,863
Margin deposits, Mainland security and settlement deposits, and cash collateral from Participants		234,508	-	234,508	188,857	-	188,857
Accounts payable, accruals and other liabilities	10	39,561	-	39,561	37,584	-	37,584
Deferred revenue		768	347	1,115	1,037	319	1,356
Taxation payable		1,640	363	2,003	1,321	-	1,321
Other financial liabilities		38	-	38	33	-	33
Participants' contributions to Clearing House Funds		28,631	-	28,631	27,124	-	27,124
Lease liabilities		212	661	873	260	1,034	1,294
Borrowings	11	343	52	395	382	70	452
Provisions		81	75	156	64	123	187
Deferred tax liabilities		-	1,221	1,221	-	1,151	1,151
<b>Total liabilities</b>		<b>364,702</b>	<b>2,719</b>	<b>367,421</b>	<b>324,525</b>	<b>2,697</b>	<b>327,222</b>
<b>Equity</b>							
Share capital				31,955			31,955
Shares held for Share Award Scheme				(1,122)			(1,125)
Employee share-based compensation reserve				583			414
Hedging and revaluation reserves				220			(65)
Exchange reserve				(77)			(273)
Designated reserves				1,608			1,451
Reserve relating to written put options to non-controlling interests				(336)			(395)
Retained earnings	12			24,079			21,890
<b>Equity attributable to shareholders of HKEX</b>				<b>56,910</b>			<b>53,852</b>
Non-controlling interests				541			555
<b>Total equity</b>				<b>57,451</b>			<b>54,407</b>
<b>Total liabilities and equity</b>				<b>424,872</b>			<b>381,629</b>
<b>Net current assets</b>				<b>27,803</b>			<b>29,051</b>



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

### 1. Basis of Preparation and Accounting Policies

These unaudited condensed consolidated financial statements should be read in conjunction with the 2024 annual consolidated financial statements. The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2024. Amendments to HKFRS Accounting Standards effective for the financial year ending 31 December 2025 do not have any impact to the Group.

The financial information relating to the year ended 31 December 2024 that is included in these unaudited condensed consolidated financial statements for the six months ended 30 June 2025 as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) is as follows:

The Company has delivered the consolidated 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 Hong Kong Companies Ordinance (Chapter 622).

The Company's auditor has reported on those consolidated 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 (Chapter 622).

## 2. Operating Segments

The Group determines its operating segments based on the internal management reports that are used to make strategic decisions reviewed by the chief operating decision-maker.

The operations in each of the Group's reportable segments are as follows:

The **Cash** segment covers all equity products traded on the Cash Market platforms of the Stock Exchange and those traded through Stock Connect, the clearing, settlement and custodian activities relating to these products and any other related activities. The major sources of revenue of the segment are trading fees, clearing and settlement fees, listing fees, depository, custody and nominee services fees and net investment income earned on the Margin Funds and Clearing House Funds relating to these products.

The **Equity and Financial Derivatives** segment refers to derivatives products traded on the Stock Exchange and Futures Exchange, the clearing, settlement and custodian activities relating to these products and OTC derivatives contracts and other related activities. These include the provision and maintenance of trading and clearing platforms for a range of equity and financial derivatives products, such as stock and equity index futures and options, DWs, CBBCs and warrants, and OTC derivatives contracts. The major sources of revenue are trading fees and trading tariffs, clearing and settlement fees, listing fees, depository, custody and nominee services fees and net investment income earned on the Margin Funds and Clearing House Funds relating to these products.

The **Commodities** segment refers to the operations of the LME, which operates a global exchange in the UK, for the trading of base and ferrous metals futures and options contracts and the operations of its clearing house, LME Clear. It also covers the operations of QME, the commodity trading platform in Mainland China, and the commodities contracts traded on the Futures Exchange. The major sources of revenue of the segment are trading fees and clearing and settlement fees of commodity products, commodity market data fees, net investment income earned on the Margin Funds and Clearing House Funds relating to these products, and fees for ancillary operations.

The **Data and Connectivity** segment covers sales of market data relating to the Hong Kong Cash and Derivatives Markets, all services in connection with providing users with access to the platform and infrastructure of the Group and services provided by BayConnect. Its major sources of revenue are market data fees, network, terminal user, data line and software sub-license fees and hosting services fees.

"Corporate Items" is not a business segment but comprises central income (including net investment income of Corporate Funds and donation income of HKEX Foundation) and central costs (including costs of central support functions that provide services to all operating segments, HKEX Foundation charitable donations and other costs not directly related to any operating segments).

The chief operating decision-maker assesses the performance of the operating segments principally based on their EBITDA.

An analysis by operating segment of the Group's EBITDA, profit before taxation and analysis of revenue by timing of revenue recognition for the period, is set out as follows:

Six months ended 30 Jun 2025						
	Cash \$m	Equity and Financial Derivatives \$m	Commodities \$m	Data and Connectivity \$m	Corporate Items \$m	Group \$m
Timing of revenue recognition:						
Point in time	5,779	1,603	1,204	52	5	8,643
Over time	723	407	207	1,051	3	2,391
Revenue	6,502	2,010	1,411	1,103	8	11,034
Net investment income	185	1,543	103	-	1,044	2,875
Donation income of HKEX Foundation	-	-	-	-	78	78
Sundry income	12	-	-	1	76	89
Revenue and other income	6,699	3,553	1,514	1,104	1,206	14,076
Less: Transaction-related expenses	(6)	(158)	-	-	-	(164)
Revenue and other income less transaction-related expenses	6,693	3,395	1,514	1,104	1,206	13,912
Operating expenses						
Staff costs and related expenses	(509)	(335)	(380)	(110)	(618)	(1,952)
Others	(121)	(128)	(337)	(99)	(336)	(1,021)
	(630)	(463)	(717)	(209)	(954)	(2,973)
Reportable segment EBITDA (non-HKFRS measure)	6,063	2,932	797	895	252	10,939
Depreciation and amortisation	(203)	(111)	(220)	(57)	(152)	(743)
Finance costs	(13)	(12)	(2)	(1)	(21)	(49)
Share of profits of joint ventures	16	1	-	-	-	17
Reportable segment profit before taxation	5,863	2,810	575	837	79	10,164

Six months ended 30 Jun 2024						
	Cash \$m	Equity and Financial Derivatives \$m	Commodities \$m	Data and Connectivity \$m	Corporate Items \$m	Group \$m
Timing of revenue recognition:						
Point in time	3,316	1,376	1,117	52	5	5,866
Over time	689	328	182	993	4	2,196
Revenue	4,005	1,704	1,299	1,045	9	8,062
Net investment income	119	1,395	106	-	901	2,521
Donation income of HKEX Foundation	-	-	-	-	30	30
Sundry income	5	-	-	3	-	8
Revenue and other income	4,129	3,099	1,405	1,048	940	10,621
Less: Transaction-related expenses	(4)	(162)	-	-	-	(166)
Revenue and other income less transaction-related expenses	4,125	2,937	1,405	1,048	940	10,455
Operating expenses						
Staff costs and related expenses	(506)	(312)	(379)	(109)	(631)	(1,937)
Others	(114)	(131)	(210)	(99)	(303)	(857)
	(620)	(443)	(589)	(208)	(934)	(2,794)
Reportable segment EBITDA (non-HKFRS measure)	3,505	2,494	816	840	6	7,661
Depreciation and amortisation	(219)	(121)	(156)	(64)	(138)	(698)
Finance costs	(16)	(17)	(2)	(1)	(23)	(59)
Share of profits of joint ventures	47	1	-	-	-	48
Reportable segment profit before taxation	3,317	2,357	658	775	(155)	6,952

### 3. Net Investment Income

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Gross interest income from financial assets measured at amortised cost	3,605	4,800
Gross interest income from financial assets measured at fair value through other comprehensive income	1,125	613
Interest rebates to Participants	(2,121)	(3,015)
Net interest income	2,609	2,398
Net gains/(losses) on financial assets measured at fair value through other comprehensive income:		
- losses on disposal	(17)	-
- exchange differences	89	-
	72	-
Net gains/(losses) on financial assets mandatorily measured at fair value through profit or loss and derivative financial instruments:		
- investment funds	202	233
- other unlisted investments	5	(32)
- foreign exchange swaps (note (a))	(89)	(81)
- foreign exchange forward contracts	4	-
	122	120
Other exchange differences	72	3
Net investment income	2,875	2,521

- (a) As part of the Group's investment strategy, the Group enters into foreign exchange swaps for optimising foreign currency cash flows and yield enhancement while hedging the overall foreign exchange exposures.

During the six months ended 30 June 2025, there was a net loss on foreign exchange swaps of \$89 million (2024: \$81 million). Such loss was more than offset by higher interest income generated from holding deposits with higher interest rates.

### 4. Taxation

Taxation charge/(credit) in the condensed consolidated income statement represents:

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Current tax		
- Hong Kong Profits Tax	1,047	611
- Hong Kong minimum top-up tax (note (b))	363	-
- Tax outside Hong Kong	174	179
Total current tax	1,584	790
Deferred tax	18	(24)
Taxation charge	1,602	766

- (a) The provision for Hong Kong Profits Tax is calculated at the rate of 16.5 per cent (2024: 16.5 per cent). The provision for current tax of subsidiaries outside Hong Kong is calculated at the rates of taxation prevailing in the jurisdictions in which the subsidiaries operate, with the average corporation tax rate applicable to the subsidiaries in the UK being 25 per cent (2024: 25 per cent).

- (b) The Group is subject to the global minimum top-up tax under the Pillar Two tax legislation. The top-up tax relates to the Group's operations in Hong Kong, where the effective tax rate for Hong Kong entities was below 15 per cent during the six months ended 30 June 2025. As a result, the Group recognised a current tax charge of \$363 million related to the top-up tax during the six months ended 30 June 2025 (2024: \$Nil).

The Group applies the HKAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two Income Taxes.

No top-up tax was payable by the Group in other jurisdictions where the Group operates during the six months ended 30 June 2025.

- (c) At 30 June 2025, two subsidiaries of the Group (i.e., the Stock Exchange and HKSCC) have lodged objections on notices of additional assessments issued by the Hong Kong Inland Revenue Department in connection with the offshore claim of the trading, clearing and portfolio fees under Northbound Stock Connect.

The Stock Exchange has purchased tax reserve certificates of \$231 million relating to financial years 2014 to 2022 (31 December 2024: \$231 million), and HKSCC has purchased tax reserve certificates of \$50 million relating to financial years 2014 to 2018 (31 December 2024: \$24 million) and the amounts are recorded under tax recoverable on the condensed consolidated statement of financial position.

## 5. Earnings Per Share

The calculation of the basic and diluted earnings per share is as follows:

- (a) Basic earnings per share

	Six months ended 30 Jun 2025	Six months ended 30 Jun 2024
Profit attributable to shareholders (\$m)	8,519	6,125
Weighted average number of shares in issue less shares held for Share Award Scheme (in '000)	1,263,911	1,264,558
Basic earnings per share (\$)	6.74	4.84

- (b) Diluted earnings per share

	Six months ended 30 Jun 2025	Six months ended 30 Jun 2024
Profit attributable to shareholders (\$m)	8,519	6,125
Weighted average number of shares in issue less shares held for Share Award Scheme (in '000)	1,263,911	1,264,558
Effect of shares awarded under Share Award Scheme (in '000)	3,710	3,184
Weighted average number of shares for the purpose of calculating diluted earnings per share (in '000)	1,267,621	1,267,742
Diluted earnings per share (\$)	6.72	4.83

## 6. Dividends

	Six months ended 30 Jun 2025 \$m	Six months ended 30 Jun 2024 \$m
Interim dividend declared of \$6.00 (2024: \$4.36) per share at 30 Jun	7,607	5,528
Less: Dividend for shares held by Share Award Scheme at 30 Jun	(24)	(15)
	7,583	5,513

## 7. Financial Assets

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m
Cash and cash equivalents	173,897	134,365
Financial assets measured at fair value through profit or loss	2,842	7,558
Financial assets measured at fair value through other comprehensive income	44,117	50,704
Financial assets measured at amortised cost	68,662	43,610
Derivative financial instruments	58,848	67,747
	<b>348,366</b>	<b>303,984</b>

The Group's financial assets comprised financial assets of cash prepayments and collateral for A-shares (Cash for A-shares), Margin Funds, Clearing House Funds, Corporate Funds and derivative financial instruments as follows:

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m
<u>Cash for A-shares</u> (note (a))		
Cash and cash equivalents	720	2,175
<u>Margin Funds</u> <sup>1</sup>		
Cash and cash equivalents	124,364	96,089
Financial assets measured at fair value through other comprehensive income	35,952	37,135
Financial assets measured at amortised cost	60,476	35,231
	<b>220,792</b>	<b>168,455</b>
<u>Clearing House Funds</u>		
Cash and cash equivalents	29,303	21,056
Financial assets measured at fair value through other comprehensive income	1,093	7,671
	<b>30,396</b>	<b>28,727</b>
<u>Corporate Funds</u>		
Cash and cash equivalents (note (b))	19,510	15,045
Financial assets measured at fair value through profit or loss	2,842	7,558
Financial assets measured at fair value through other comprehensive income (note (b))	7,072	5,898
Financial assets measured at amortised cost (note (b))	8,186	8,379
	<b>37,610</b>	<b>36,880</b>
Derivative financial instruments (note (c))	58,848	67,747
	<b>348,366</b>	<b>303,984</b>

1 Excludes Settlement Reserve Fund and Settlement Guarantee Fund paid to ChinaClear under Stock Connect, inter-CCP margin paid to SHCH under Swap Connect, and margin receivable from CPs of \$13,716 million (31 December 2024: \$20,402 million), which are included in accounts receivable, prepayments and deposits.

The expected maturity dates of the financial assets are analysed as follows:

	At 30 Jun 2025						At 31 Dec 2024					
	Cash for A-shares \$m	Margin Funds \$m	Clearing House Funds \$m	Corporate Funds \$m	Derivative financial instruments \$m	Total \$m	Cash for A-shares \$m	Margin Funds \$m	Clearing House Funds \$m	Corporate Funds \$m	Derivative financial instruments \$m	Total \$m
Within twelve months	720	220,792	30,396	30,548	58,848	341,304	2,175	168,455	28,727	31,553	67,747	298,657
Over twelve months	-	-	-	7,062	-	7,062	-	-	-	5,327	-	5,327
	720	220,792	30,396	37,610	58,848	348,366	2,175	168,455	28,727	36,880	67,747	303,984

(a) Cash for A-shares includes:

- (i) RMB cash prepayments received by HKSCC from its CPs for releasing their allocated A-shares on the trade day. Such prepayments will be used to settle HKSCC's CNS obligations payable on the next business day; and
- (ii) HKD/USD cash collateral received by HKSCC from its CPs for releasing their allocated A-shares on the trade day. Such collateral will be refunded to the CPs when they settle their RMB CNS obligations on the next business day.

(b) At 30 June 2025, cash and cash equivalents of Corporate Funds of \$1,040 million (31 December 2024: \$1,135 million) and debt securities of Corporate Funds of \$937 million (31 December 2024: \$945 million) were solely used to support Skin-in-the-Game and default fund credits for Clearing House Funds.

(c) Derivative financial instruments include outstanding derivatives contracts of LME Clear, which acts as a central counterparty to the base and ferrous metals futures and options contracts traded on the LME, forward foreign exchange contracts, and foreign exchange swaps.

## 8. Accounts Receivable, Prepayments and Deposits

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m
CNS money obligations receivable (note (a))	33,840	31,813
Transaction levy, stamp duty and fees receivables	1,619	1,083
Settlement Reserve Fund and Settlement Guarantee Fund held by ChinaClear	13,312	19,814
Inter-CCP margin held by SHCH (note (b)):		
- satisfied by margin deposits collected from OTC Clear CPs	274	571
- satisfied by Corporate Funds	228	257
	502	828
Receivables for investment funds sold before 30 Jun 2025	593	-
Prepayments for acquisition of HKEX headquarters premises (note 9)	754	-
Other receivables, prepayments and deposits, net of provision for impairment losses	1,061	959
	51,681	54,497

(a) CNS money obligations receivable mature within two days after the trade date. The balance of Settlement Reserve Fund and Settlement Guarantee Fund with ChinaClear is rebalanced on a monthly basis, and the balance of inter-CCP margin held by SHCH is rebalanced on a daily basis. Fees receivable are due immediately or up to 60 days depending on the type of services rendered. The majority of the remaining accounts receivable, prepayments and deposits were due within three months.

(b) Under Swap Connect, OTC Clear and SHCH are required to provide inter-CCP margin to each other to cover the potential loss arising from the default of the other party. Part of the inter-CCP margin provided by OTC Clear to SHCH is satisfied by margin deposits collected from OTC Clear CPs and the remaining balance is satisfied by Corporate Funds of OTC Clear.

## 9. Purchase of HKEX Headquarters Premises

In April 2025, the Group agreed to purchase certain properties from Hongkong Land (landlord) as HKEX headquarters premises for a total consideration of \$6.3 billion. As of 30 June 2025, the Group has taken possession of part of the properties for a consideration of \$1.8 billion, with the remaining acquisition to be completed in phases over the next 12 to 18 months from the date of the agreement. Accordingly, the Group recognised \$1,718 million of lease premium for land under right-of-use assets, \$34 million of properties under right-of-use assets, and \$53 million of leasehold buildings under fixed assets.

As part of the agreement with the landlord, the leases of certain existing offices were shortened or modified, and the reinstatement costs associated with the surrendered floors were waived. The carrying amounts of right-of-use assets, lease liabilities, and the provision for reinstatement costs were remeasured to reflect such revised arrangement. This resulted in a one-off gain of \$76 million from lease modification, and was recognised in the condensed consolidated income statement under sundry income during the six months ended 30 June 2025.

## 10. Accounts Payable, Accruals and Other Liabilities

The Group's accounts payable, accruals and other liabilities mainly represent the Group's CNS money obligations payable, which accounted for 87 per cent (31 December 2024: 90 per cent) of the total accounts payable, accruals and other liabilities. CNS money obligations payable mature within two days after the trade date. The majority of the remaining accounts payable, accruals and other liabilities would mature within three months.

## 11. Borrowings

	At 30 Jun 2025 \$m	At 31 Dec 2024 \$m
Written put options to non-controlling interests	395	452
Analysed as:		
Non-current liabilities	52	70
Current liabilities	343	382
	395	452

During the six months ended 30 June 2025, OTC Clear paid a dividend of \$59 million (2024: \$Nil) to its non-controlling interests. According to the terms of put options written by HKEX to the non-controlling interests, the amount of written put options was reduced by the dividend received by the non-controlling interests, with a corresponding credit to equity under "reserve relating to written put options to non-controlling interests". None of the written put options was exercised by the non-controlling interests during the period (2024: none).

## 12. Retained Earnings

	2025 \$m	2024 \$m
At 1 Jan	21,890	19,723
Profit attributable to shareholders	8,519	13,050
Transfer to designated reserves	(157)	(433)
Dividends:		
2024/2023 second interim dividend	(6,193)	(4,944)
2024 first interim dividend	-	(5,513)
Unclaimed HKEX dividends forfeited	15	32
Vesting of shares of Share Award Scheme	(1)	(25)
UK tax relating to Share Award Scheme	6	-
At 30 Jun 2025/31 Dec 2024	24,079	21,890



## INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has declared an interim dividend of \$6.00 per share for the year ending 31 December 2025, payable in cash in Hong Kong dollars.

### Key Dates for 2025 Interim Dividend

Ex-dividend date	2 September 2025
Closure of HKEX's Register of Members	4 to 5 September 2025 (both dates inclusive)
Record date	5 September 2025
Dividend payment date	16 September 2025

To qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with HKEX's registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 pm on Wednesday, 3 September 2025.

## PUBLICATION OF 2025 INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the HKEXnews website at [www.hkexnews.hk](http://www.hkexnews.hk) and the HKEX Group website at [www.hkexgroup.com/Investor-Relations/Regulatory-Disclosure/Announcements/2025](http://www.hkexgroup.com/Investor-Relations/Regulatory-Disclosure/Announcements/2025). The 2025 Interim Report will be available on the HKEXnews and HKEX Group websites and despatched to Shareholders on or about Thursday, 4 September 2025.

By Order of the Board

**Hong Kong Exchanges and Clearing Limited**

**Timothy Tsang**

Group Company Secretary

Hong Kong, 20 August 2025

As at the date of this announcement, HKEX's Board of Directors comprises 12 Independent Non-executive Directors, namely Mr Carlson TONG (Chairman), Mr Nicholas Charles ALLEN, Mr Peter Wilhelm Hubert BRIEN, Mr CHAN Kin Por, Mr CHEAH Cheng Hye, Ms CHEUNG Ming Ming, Anna, Mr CHIA Pun Kok, Herbert, Mrs CHOW WOO Mo Fong, Susan, Ms DING Chen, Mr LEUNG Pak Hon, Hugo, Mr YAM Chi Kwong, Joseph, and Mr ZHANG Yichen, and one Executive Director, Ms CHAN Yiting, Bonnie, who is also the Chief Executive of HKEX.

## GLOSSARY

2025 AGM	HKEX's annual general meeting held on 30 April 2025
ADT	Average daily turnover value
ADV	Average daily volume (in number of contracts/lots)
BayConnect	BayConnect Technology Company Limited
Board	HKEX's board of directors
Bond Connect	A mutual bond market access programme between Hong Kong and Mainland China, under which Northbound trading enables overseas investors to invest in the China Interbank Bond Market, and Southbound trading enables Mainland institutional investors to invest in offshore bonds through the Hong Kong bond market
Cash Market	HKEX's securities related business excluding stock options
CATL	Contemporary Amperex Technology Co., Limited
CBBCs	Callable Bull/Bear Contracts
Chief Executive Officer	HKEX's Chief Executive
ChinaClear	China Securities Depository and Clearing Corporation Limited
CNH	Offshore RMB traded outside Mainland China
CNS	Continuous Net Settlement
Commodities Market	Commodities related business of Futures Exchange, the LME Group and QME
Corporate Governance Code	Appendix C1 to the Main Board Listing Rules
CPs	Clearing Participants
Derivatives Market	HKEX's derivatives related business including stock options
Director(s)	HKEX's director(s)
DWs	Derivative warrants
EP(s)	Exchange Participant(s)
ESG	Environmental, Social and Governance
ETF(s)	Exchange Traded Fund(s)
ETP(s)	Exchange Traded Product(s), which include(s) ETFs and L&I Products
Exchange or SEHK or Stock Exchange	The Stock Exchange of Hong Kong Limited
External Portfolio	Externally-managed investment funds
FCA	Financial Conduct Authority
FIC	Fixed income and currency
Futures Exchange	Hong Kong Futures Exchange Limited
Government	HKSAR Government
Government Appointed Directors	Directors appointed by the Financial Secretary of the HKSAR pursuant to Section 77 of the SFO
Group	HKEX and its subsidiaries
Headline ADT	ADT of equity products, DWs, CBBCs and warrants traded on the Stock Exchange
HKCC	HKFE Clearing Corporation Limited
HKEX Foundation or the Foundation	HKEX Foundation Limited
HKEX or the Company	Hong Kong Exchanges and Clearing Limited
HKEX Group website	<a href="http://www.hkexgroup.com">www.hkexgroup.com</a>
HKFRS(s)	Hong Kong Financial Reporting Standard(s)
HKMA	Hong Kong Monetary Authority

HKSAR	Hong Kong Special Administrative Region of PRC
HKSCC	Hong Kong Securities Clearing Company Limited
HSCEI	Hang Seng China Enterprises Index
HSI	Hang Seng Index
IPO(s)	Initial Public Offering(s)
Iron Ore Futures	TSI Iron Ore Fines 62 per cent Fe CFR China Futures
IT	Information Technology
JPY	Japanese Yen
L&I Products	Leveraged and Inverse Products
Liquidity Task Force	Task Force on Enhancing Stock Market Liquidity
Listing Committee	Listing Committee of the Main Board and GEM
Listing Rule(s)	Main Board Listing Rules and Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
LME	The London Metal Exchange
LME Clear	LME Clear Limited
LME Group	HKEX Global Commodities Limited, LME Holdings Limited, LME and LME Clear
London Metal Mini Futures	London Aluminium/Zinc/Copper/Nickel/Tin/Lead Mini Futures
Main Board Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Northbound Trading or Stock Connect Northbound	Hong Kong and overseas investors trading in eligible securities that are listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange through Stock Connect
OTC	Over-the-counter
OTC Clear	OTC Clearing Hong Kong Limited
PRC	The People's Republic of China
QME	Qianhai Mercantile Exchange Co., Ltd.
RMB	Renminbi
SBTi	Science Based Targets initiative
SEOCH	The SEHK Options Clearing House Limited
SFC	Securities and Futures Commission
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Shanghai-Hong Kong Stock Connect	A mutual market access programme that links the stock markets in Shanghai and Hong Kong, enabling investors in Hong Kong and Mainland China to trade and settle shares listed on the other market via the exchange and clearing house in their home market
Shareholders	HKEX's shareholders
Share Award Scheme	The HKEX Employees' Share Award Scheme and the HKEX Employees' Share Award 2023 Scheme
Shenzhen-Hong Kong Stock Connect	A mutual market access programme that links the stock markets in Shenzhen and Hong Kong, enabling investors in Hong Kong and Mainland China to trade and settle shares listed on the other market via the exchange and clearing house in their home market
Southbound Trading or Stock Connect Southbound	Mainland investors trading in eligible securities that are listed on the Stock Exchange through Stock Connect
SPAC	Special Purpose Acquisition Companies
Stock Connect	Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect
Swap Connect	A mutual market access programme that provides Hong Kong and international investors access to the onshore interest rate swap market through a Northbound channel

UK	United Kingdom
US	United States of America
US\$/USD	United States dollar
\$/HK\$/HKD	Hong Kong dollar
\$bn/bn	Hong Kong dollar in billion/billion
\$m	Hong Kong dollar in million
£/GBP	Pound sterling
1H, 2H	First half, second half (of the year)
Q1, Q2, Q3, Q4	First quarter, second quarter, third quarter, fourth quarter (of the year)