



Enhancing SFC's institutional resilience and efficiency



To facilitate the stable development of Hong Kong's capital markets, we strive to build our own institutional resilience and operating efficiency. Alongside our robust budgeting and internal controls, we are committed to upholding sound corporate governance, enhancing processes as well as stepping up communications and engagement efforts.

Sound financial and resource management

We recorded a surplus of \$627 million for the quarter. Our income was \$1,186 million, up 22.7% from the previous quarter and 114.4% from the same quarter last year. On a six-month basis, our income increased 100.1% year-on-year.

Income growth is attributable to the significantly higher average daily turnover (ADT) in Hong Kong's securities market since late 2024. The ADT surged

by 136% to \$265 billion in the quarter from \$112 billion a year ago. In addition, we resumed the collection of the annual licensing fees in this financial year after the waiver cessation from April 2025 onwards.

Our expenditure for the quarter was \$559 million, remaining stable in comparison to both the previous quarter and the same quarter last year. For the first six months of the financial year, expenditure remained flat compared to the same period last year.

As of 30 September, our total available for use and liquid reserves stood at \$4.5 billion, of which \$1.1 billion was allocated to the acquisition of the three additional office floors for the SFC and future principal bank loan repayments.

As of 30 September, we had 964 staff members, up from 945 a year ago.

Finance				
(\$ million)	Quarter ended 30.9.2025	Six months ended 30.9.2025	Six months ended 30.9.2024	YoY change (%)
Income	1,186	2,151	1,075	100.1
Expenses including depreciation	559	1,118	1,116	0.2
Surplus/(deficit)	627	1,033	(41)	N/A

Upholding effective institutional governance

Appointment of directors

In July, the Government reappointed Ms Christina Choi, Mr Rico Leung and Mr Michael Duignan as Executive Directors for a term of three years.

Ms Choi continued her capacity as Executive Director of Investment Products until 31 October and assumed the role of Executive Director of Corporate Finance from 1 November. Mr Leung continued his position as Executive Director of Supervision of Markets from 28 August. Mr Duignan became Executive Director of Enforcement, with effect from 1 November, after his term as Executive Director of Corporate Finance ended on 31 October.

The three-year term of Mr Christopher Wilson as Executive Director of Enforcement ended on 31 October.

In September, the SFC appointed Ms Alexandra Yeong, Senior Director of Investment Products, as Interim Head of Investment Products, effective 1 November.

Data governance

For the second consecutive time, the SFC received the Privacy-Friendly Gold Award from the Privacy Commissioner for Personal Data in July. The award recognises our efforts to protect personal data privacy through robust and comprehensive measures.

Driving operational efficiency via technology

During the quarter, we launched an artificial intelligence solution that enhances investigative capabilities by accelerating the review and analysis of large volumes of photographic evidence, enabling faster identification of relevant images and more accurate reviews.

In addition, to improve market monitoring efficiency, we enhanced our investigation management system by automating bank information requests. We also improved evidence filing standards and consistency, and streamlined workflows through enhanced internal systems.

We also upgraded the WINGS¹ system to support the electronic submissions under the company re-domiciliation and itinerant professional regimes, as well as to meet the virtual asset trading platform (VATP) record-keeping requirements. This upgrade improves our operational efficiency by streamlining application processes, and also strengthens regulatory oversight by facilitating the collection of private key storage locations from VATP operators.

The Financial Return Form on WINGS was also expanded in July to collect hedge fund data biannually from licensed firms holding the SFC's Type 9 (asset management) licence, streamlining data submission for licensed firms.

Guarding against cyber threats

During the quarter, we delivered cybersecurity training on phishing, deepfakes and other emerging threats to keep our staff informed of best practices to safeguard the SFC against evolving cyber risks.

Our representative from the Digital Forensics Team won the bronze award at the 2nd International Digital Forensics Challenge in July, co-organised by the University of Hong Kong, Hong Kong Police Force and Interpol. The award demonstrates the SFC's capabilities in digital forensics, as well as addressing cyber threats in the financial sector. The global competition brought together more than 20 law enforcement agencies and research institutions worldwide.

1 Web-based INteGrated Service.

Deploying different channels for regulatory communications

We update stakeholders and explain our work through a variety of publications.

To promote public awareness of our work, a total of 119 posts were published on the SFC's social media platforms, such as updates on policy initiatives, scam alerts and stakeholder engagement activities.

In July, we published the *Half-yearly Review of the Global and Local Securities Markets*, which shows the outperformance of Hong Kong's securities market with vibrancy in both primary and secondary markets. In August, we published the SFC's *April-June 2025 Quarterly Report* to summarise our key regulatory work, corporate developments and financial information, as well as Hong Kong's progress as a fund-raising and investment hub. In September, we published the quarterly *Takeovers Bulletin*.



During the quarter, we issued 11 circulars to guide the industry on a wide range of topics, including Hong Kong's mutual recognition of funds scheme with the United Arab Emirates, intermediaries' virtual asset-related activities and facilitative measures for visiting professionals.



Social media posts promote awareness on a range of topics

Proactive industry communications to facilitate regulatory efficiency and transparency

We keep stakeholders up to date on regulatory developments and communicate our initiatives through industry events, publications and a variety of other channels. During the quarter, our senior executives participated as speakers at more than 25 local and international events, covering topics such as corporate governance, mutual market access and digital assets. Additionally, we served as a supporting organisation for five industry events.

In September, the SFC and the Hong Kong Monetary Authority (HKMA) jointly hosted the Hong Kong Fixed Income and Currency (FIC) Forum 2025. The event brought together senior Hong Kong and Mainland officials, regulators and leaders from major financial institutions to exchange insights on opportunities, challenges and emerging trends in the global FIC landscape. Despite the impact of Super Typhoon Ragasa, the FIC Forum was successfully held with over 500 participants attending virtually.



CEO Ms Leung (left) and HKMA Chief Executive Mr Eddie Yue (right) launch the Roadmap



Executive Director of Intermediaries Dr Eric Yip (left) and HKMA Executive Director (External) Mr Kenneth Hui (right) at the Roadmap's media briefing

The SFC's Chairman Dr Kelvin Wong and Chief Executive Officer (CEO) Ms Julia Leung spoke at the forum. Dr Wong highlighted that FIC markets provide indispensable instruments to risk management and resilience building, while providing growth opportunities for issuers, investors and intermediaries. Ms Leung shared the SFC's vision to develop the renminbi fixed-income business by promoting more offerings and liquidity, upgrading infrastructure, and enhancing market connectivity.

On the same day, the SFC and the HKMA jointly announced FIC Roadmap at a press conference to position the city strategically as a global FIC hub by fostering demand, liquidity and innovation. See page 18 for details on this Roadmap.

The Hong Kong Green Week held in September drew more than 14,500 participants across over 40 events. The SFC co-hosted three events to demonstrate the city's leadership in climate and transition finance.

One of these was the Forum on Sustainability Disclosures co-hosted with the Financial Services and the Treasury Bureau. In his welcome remarks, the SFC's Chairman Dr Wong underscored the importance of adopting global sustainability disclosure standards for both corporates and investors. Attended by over 200 policymakers and industry leaders, the forum examined the adoption of the IFRS Sustainability Disclosure Standards and explored how disclosures can drive sustainable development and climate financing.

At the same forum, Ms Julia Leung engaged in a fireside chat with senior regulators from the United Arab Emirates, emphasising the crucial role of regulators in facilitating access to information for achieving climate and sustainability objectives. She also highlighted the significance of interconnected financial markets across the Asia-Pacific and Middle Eastern regions in driving mutual development.



CEO Ms Leung (left) had a fireside chat at the Forum on Sustainability Disclosures

Speaking at the opening session of the Director Training Series hosted in July by The Hong Kong Chartered Governance Institute (HKCGI), our Chairman Dr Wong emphasised the importance of quality director training to elevating the listing market standards in Hong Kong. He emphasised

that director training should drive behavioural changes to enhance corporate performance, while delivering company-specific content through face-to-face group learning sessions.



Chairman Dr Wong delivered a keynote address at HKCGI's director training session

In August, Dr Wong delivered a keynote speech at the Hong Kong Bar Association-World Justice Project Conference and highlighted the vital role of rule of law and market integrity as the cornerstone of Hong Kong's status as a premier international financial centre. He emphasised the SFC's robust enforcement actions, its close collaboration with law enforcement agencies, and the importance to build a culture of integrity through corporate governance and investor education.



Chairman Dr Wong at the Hong Kong Bar Association-World Justice Project Conference

At the Bond Connect Anniversary Summit 2025 held in July, our CEO Ms Leung pointed out that renminbi internationalisation is a long-term national strategy for Chinese Mainland's high-quality market opening-up and a strong pillar for its development as a global financial powerhouse. She detailed the SFC's approach to diversify the offshore renminbi product ecosystem, enhance offshore renminbi liquidity, and establish robust infrastructure.



CEO Ms Leung gave a keynote speech at the Bond Connect Anniversary Summit

To facilitate communications with derivative market practitioners, Executive Director of Supervision of Markets Mr Rico Leung delivered a keynote speech at the Futures & Options World (FOW) Trading Asia 2025. He discussed how Asia's share of the global derivative market is growing, with abundant potential for innovation. Mr Leung highlighted the importance of a balanced regulatory approach to ensure resilient growth for the derivative market.



Executive Director of Supervision of Markets Mr Leung at FOW Trading Asia 2025

At the annual Green Performance Pledge (GPP) Forum organised by Swire Properties, Executive Director of Legal Services Ms Lisa Chen joined the event's panel discussion on how to navigate the shifting sentiment towards sustainability, and to embrace a collaborative mindset to drive transparency, efficiency and results despite the ongoing challenges and risks, such as climate change.



Executive Director of Legal Services Ms Chen (second from right) at the GPP Forum 2025 panel discussion

Publications and other communications		
	Quarter ended 30.9.2025	Six months ended 30.9.2025
Press releases	61	116
Policy statements and announcements	2	3
Consultation papers	2	6
Consultation conclusions	0	3
Industry-related publications	3	4
Codes and guidelines ^a	3	4
Circulars to industry	11	29
Social media posts ^b	119	233
Corporate website average daily page views ^c	91,481	87,376
General enquiries	1,411	2,736

a Includes updates to previous versions.

b Includes posts on the SFC's Facebook, LinkedIn and WeChat pages.

c The average number of webpages browsed per day during the reporting period.