

# WebX International Holdings Company Limited

## 智雲國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 8521)

### Interim Report

# 2026



## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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*This report, for which the directors (the “**Directors**”) of WebX International Holdings Company Limited (the “**Company**”, together with its subsidiaries the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company.*

*The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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## CORPORATE INFORMATION

### Board of Directors

#### Executive Directors

Mr. Li Jian

Mr. Chen Simon Guomin

#### Non-executive Directors

Mr. Wong Kai Hung Kelvin (*Chairman*)

Mr. Hung Yuk Miu

#### Independent non-executive Directors

Mr. Ng Wing Heng Henry

Dr. Chan Yee Wah

Mr. Liu Mingfang

#### Audit Committee

Mr. Ng Wing Heng Henry (*Chairman*)

Dr. Chan Yee Wah

Mr. Liu Mingfang

#### Remuneration Committee

Mr. Liu Mingfang (*Chairman*)

Mr. Wong Kai Hung Kelvin

Mr. Ng Wing Heng Henry

#### Nomination Committee

Dr. Chan Yee Wah (*Chairwoman*)

Mr. Wong Kai Hung Kelvin

Mr. Ng Wing Heng Henry

#### Compliance Officer

Mr. Li Jian

#### Company Secretary

Mr. Lee Yiu Man

(appointed on 21 August 2026)

Mr. Chow Chun To (appointed on 8 May 2026  
and resigned on 21 August 2026)

Mr. Yuen Shing Him

(resigned on 8 May 2026)

#### Authorised Representatives

Mr. Li Jian

Mr. Lee Yiu Man

(appointed on 21 August 2026)

Mr. Chow Chun To (appointed on 8 May 2026  
and resigned on 21 August 2026)

Mr. Yuen Shing Him

(resigned on 8 May 2026)

#### Registered Office

Cricket Square, Hutchins Drive,  
P.O. Box 2681, Grand Cayman KY1-1111,  
Cayman Islands

#### Headquarters and Principal Place of Business in Hong Kong

Units 05–06, 33rd Floor,  
Bank of America Tower,  
No.12 Harcourt Road,  
Hong Kong

#### Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited  
Cricket Square,  
Hutchins Drive,  
P.O. Box 2681,  
Grand Cayman KY1-1111,  
The Cayman Islands

#### Hong Kong Branch Share Registrar

Tricor Investor Services Limited  
17/F, Far East Finance Centre,  
16 Harcourt Road, Hong Kong

#### Auditor

SHINEWING (HK) CPA Limited  
Certified Public Accountants  
17/F, Chubb Tower, Windsor House,  
311 Gloucester Road, Hong Kong

#### Legal Adviser

LCH Lawyers LLP  
Room 2402, Admiralty Centre Tower Two,  
18 Harcourt Road,  
Admiralty,  
Hong Kong

#### Principal Bankers

The Hongkong and Shanghai Banking  
Corporation Limited  
HSBC Main Building,  
1 Queen's Road Central, Hong Kong

Bank of China

No. 72, Guantai Road,  
Nancheng District, Dongguan City,  
Guangdong Province, PRC

Bank of Dongguan

No. 101, Block 1, Hyde Plaza,  
No. 200, Hongfu Road,  
Nancheng District, Dongguan City,  
Guangdong Province, PRC

China Construction Bank

Shop A011–A015,  
Jiangnan Yazhu, Block H1,  
8 Jinfeng Road,  
Nancheng District, Dongguan City,  
Guangdong Province, PRC

#### Company's Website

[www.webx.info](http://www.webx.info)

#### Stock Code

8521

## FINANCIAL HIGHLIGHTS

The Group recorded revenue and gross profit of approximately HK\$101,905,000 and HK\$13,162,000 respectively for the six months ended 30 June 2026, representing an increase of approximately 179.6% and 128.7% respectively when comparing with revenue and gross profit of approximately HK\$36,451,000 and HK\$5,755,000 respectively for the six months ended 30 June 2025.

The gross profit margin decreased by 2.9 percentage points from 15.8% for the six months ended 30 June 2025 to approximately 12.9% for the six months ended 30 June 2026. Such decrease was primarily attributable to a significant increase in revenue from the sales of functional knitted fabrics, apparel and yarns segment which generated a relatively lower profit margin than the cloud-based computing and internet traffic services segment.

According to available industry data, China's textile market is projected to grow at a steady pace, with functional textile production expected to increase by approximately 14.2% year-on-year in 2026 to reach approximately 18.5 million tonnes, accounting for approximately 12.8% of total fabric production, while consumer demand for functional textiles has risen to approximately 32.7% of overall demand, an increase of approximately 4.2 percentage points as comparing to 2025. Emerging segments such as high-end chemical fibres, functional fabrics and intelligent manufacturing are reported to be developing at a faster pace than the broader industry, together accounting for a growing proportion of the industry's total output value. This is consistent with the significant increase in the sales in functional knitted fabrics, apparel and yarns segment of our Group.

As a whole, the Group recorded a loss for the period of approximately HK\$1,621,000 for the six months ended 30 June 2026 when comparing with a loss for the period of approximately HK\$6,981,000 for the six months ended 30 June 2025. The narrowing of loss for the six months ended 30 June 2026 was principally due to the significant increase in revenue and gross profit for the six months ended 30 June 2026.

The board of Directors (the "**Board**") does not recommend the payment of a dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

|                                                                             | Notes | Six months ended 30 June<br>2026<br>HK\$'000<br>(Unaudited) | 2025<br>HK\$'000<br>(Unaudited) |
|-----------------------------------------------------------------------------|-------|-------------------------------------------------------------|---------------------------------|
| Revenue                                                                     | 4     | 101,905                                                     | 36,451                          |
| Cost of sales                                                               |       | (88,743)                                                    | (30,696)                        |
| Gross profit                                                                |       | 13,162                                                      | 5,755                           |
| Other income                                                                |       | 1,213                                                       | 156                             |
| Selling and distribution expenses                                           |       | (2,787)                                                     | (3,193)                         |
| Administrative and other expenses                                           |       | (12,387)                                                    | (10,311)                        |
| Impairment loss on intangible assets                                        |       | (240)                                                       | –                               |
| Finance costs                                                               | 6     | (442)                                                       | (330)                           |
| Loss before tax                                                             |       | (1,481)                                                     | (7,923)                         |
| Income tax (expenses)/credit                                                | 7     | (140)                                                       | 942                             |
| Loss for the period                                                         | 8     | (1,621)                                                     | (6,981)                         |
| Loss for the period attributable to:                                        |       |                                                             |                                 |
| Owners of the Company                                                       |       | (1,624)                                                     | (6,981)                         |
| Non-controlling interest                                                    |       | 3                                                           | –                               |
|                                                                             |       | (1,621)                                                     | (6,981)                         |
| Loss per share, basic and diluted (HK cents)                                | 9     | (0.25)                                                      | (1.21)                          |
| Loss for the period                                                         |       | (1,621)                                                     | (6,981)                         |
| Other comprehensive income:                                                 |       |                                                             |                                 |
| <b>Item that may be reclassified subsequently to profit or loss:</b>        |       |                                                             |                                 |
| Exchange differences arising on translation of foreign operations           |       | 8,649                                                       | 1,735                           |
| Other comprehensive income for the period                                   |       | 8,649                                                       | 1,735                           |
| Total comprehensive income/(expense) for the period                         |       | 7,028                                                       | (5,246)                         |
| <b>Total comprehensive income/(expense) for the period attributable to:</b> |       |                                                             |                                 |
| Owners of the Company                                                       |       | 7,025                                                       | (5,246)                         |
| Non-controlling interest                                                    |       | 3                                                           | –                               |
|                                                                             |       | 7,028                                                       | (5,246)                         |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

|                                             | Notes | 30 June<br>2026<br>HK\$'000<br>(Unaudited) | 31 December<br>2025<br>HK\$'000<br>(Audited) |
|---------------------------------------------|-------|--------------------------------------------|----------------------------------------------|
| <b>Non-current assets</b>                   |       |                                            |                                              |
| Plant and equipment                         | 10    | 13,884                                     | 13,258                                       |
| Deferred tax asset                          |       | 3,869                                      | 3,759                                        |
| Right-of-use assets                         |       | 2,483                                      | 4,209                                        |
| Intangible assets                           |       | 455                                        | 695                                          |
| Goodwill                                    |       | 46                                         | 46                                           |
|                                             |       | <b>20,737</b>                              | 21,967                                       |
| <b>Current assets</b>                       |       |                                            |                                              |
| Inventories                                 |       | 36,539                                     | 22,827                                       |
| Trade receivables                           | 11    | 47,174                                     | 28,862                                       |
| Deposits, prepayments and other receivables | 11    | 90,821                                     | 73,326                                       |
| Pledged bank deposits                       |       | 2,879                                      | 2,768                                        |
| Bank balances and cash                      |       | 37,901                                     | 71,599                                       |
|                                             |       | <b>215,314</b>                             | 199,382                                      |
| <b>Current liabilities</b>                  |       |                                            |                                              |
| Trade payables                              | 12    | 15,878                                     | 7,784                                        |
| Other payables and accruals                 | 12    | 10,043                                     | 10,275                                       |
| Contract liabilities                        |       | 1,587                                      | 1,522                                        |
| Lease liabilities                           |       | 2,628                                      | 3,207                                        |
| Bank borrowing and other loans              | 13    | 25,765                                     | 24,956                                       |
| Bank overdraft                              | 13    | 2,558                                      | 1,855                                        |
| Tax payable                                 |       | 921                                        | 848                                          |
|                                             |       | <b>59,380</b>                              | 50,447                                       |
| <b>Net current assets</b>                   |       | <b>155,934</b>                             | 148,935                                      |
| <b>Non-current liabilities</b>              |       |                                            |                                              |
| Lease liabilities                           |       | 40                                         | 1,299                                        |
| <b>NET ASSETS</b>                           |       | <b>176,631</b>                             | 169,603                                      |
| <b>Capital and reserves</b>                 |       |                                            |                                              |
| Share capital                               |       | 6,390                                      | 6,390                                        |
| Reserves                                    |       | 170,238                                    | 163,213                                      |
| <b>Non-controlling interest</b>             |       | <b>3</b>                                   | —                                            |
| <b>Total equity</b>                         |       | <b>176,631</b>                             | 169,603                                      |

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

|                                                                   | Attributable to owners of the Company |                |                      |                      |                   |                      |                | Non-                 |                |
|-------------------------------------------------------------------|---------------------------------------|----------------|----------------------|----------------------|-------------------|----------------------|----------------|----------------------|----------------|
|                                                                   | Share capital                         | Share premium  | Capital reserve      | Statutory reserve    | Retained earnings | Exchange reserve     | Subtotal       | controlling interest | Total          |
|                                                                   | HK\$'000                              | HK\$'000       | HK\$'000<br>(Note a) | HK\$'000<br>(Note b) | HK\$'000          | HK\$'000<br>(Note c) | HK\$'000       | HK\$'000             | HK\$'000       |
| <b>At 1 January 2025 (audited)</b>                                | 5,760                                 | 65,029         | 1,824                | 5,926                | 56,689            | (9,956)              | 125,272        | –                    | 125,272        |
| Loss for the period                                               | –                                     | –              | –                    | –                    | (6,981)           | –                    | (6,981)        | –                    | (6,981)        |
| Exchange differences arising on translation of foreign operations | –                                     | –              | –                    | –                    | –                 | 1,735                | 1,735          | –                    | 1,735          |
| Total comprehensive (expenses)/ income for the period             | –                                     | –              | –                    | –                    | (6,981)           | 1,735                | (5,246)        | –                    | (5,246)        |
| <b>At 30 June 2025 (unaudited)</b>                                | 5,760                                 | 65,029         | 1,824                | 5,926                | 49,708            | (8,221)              | 120,026        | –                    | 120,026        |
| <b>At 1 January 2026 (audited)</b>                                | <b>6,390</b>                          | <b>112,019</b> | <b>1,824</b>         | <b>5,926</b>         | <b>52,266</b>     | <b>(8,822)</b>       | <b>169,603</b> | <b>–</b>             | <b>169,603</b> |
| Loss for the period                                               | –                                     | –              | –                    | –                    | (1,624)           | –                    | (1,624)        | 3                    | (1,621)        |
| Exchange differences arising on translation of foreign operations | –                                     | –              | –                    | –                    | –                 | 8,649                | 8,649          | –                    | 8,649          |
| Total comprehensive (expenses)/ income for the period             | –                                     | –              | –                    | –                    | (1,624)           | 8,649                | 7,025          | 3                    | 7,028          |
| <b>At 30 June 2026 (unaudited)</b>                                | <b>6,390</b>                          | <b>112,019</b> | <b>1,824</b>         | <b>5,926</b>         | <b>50,642</b>     | <b>(173)</b>         | <b>176,628</b> | <b>3</b>             | <b>176,631</b> |

Notes:

(a) Capital reserve

Capital reserves represents (i) the difference between the consideration for acquisition of non-controlling interest of Dongguan Smart Union Textiles Technology Co., Ltd. (東莞聯兆紡織科技有限公司) ("**Smart Union**") and the carrying amount of the non-controlling interest; (ii) the contribution from the shareholder due to a deed of waiver dated 23 April 2018 executed by the shareholder and director of the Company, Mr. Wong Kai Hung Kelvin ("**Mr. Wong**") and a subsidiary of the Company, Smart Team Textiles Technology Limited ("**Smart Team**"), pursuant to which an outstanding sum in the amount of HK\$2,000,000 owed by Smart Team to Mr. Wong as at 30 April 2018 was irrevocably and unconditionally waived by Mr. Wong; (iii) the nominal value of the share issued to acquire Smart Team; and (iv) the difference between the consideration for the acquisition of the non-controlling interest of Magic Team (Beijing) International Fashion Design Co., Ltd. (幻天(北京)國際服裝設計有限公司) and the carrying amount of the non-controlling interests.

(b) Statutory reserve

According to the People's Republic of China (the "**PRC**") Company Law, companies established in the PRC are required to transfer 10% of their respective after-tax profits, calculated in accordance with the relevant accounting principles and financial regulations applicable to entities established in the PRC, to the statutory reserve until the reserve balance reaches 50% of the registered capital. The statutory reserve can be utilised, upon approval of the relevant authorities, to offset the accumulated losses or to increase the registered capital of these companies, provided that such fund is maintained at a minimum of 25% of the registered capital. The statutory reserve is not distributable as cash dividends and must be made before distribution of dividend to equity owners.

(c) Exchange reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollars) are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the foreign operations.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

|                                                            | Six months ended 30 June |             |
|------------------------------------------------------------|--------------------------|-------------|
|                                                            | 2026                     | 2025        |
|                                                            | HK\$'000                 | HK\$'000    |
|                                                            | (Unaudited)              | (Unaudited) |
| <b>Net cash used in operating activities</b>               | <b>(40,189)</b>          | (21,886)    |
| <b>Investing activities</b>                                |                          |             |
| Interest received                                          | 21                       | 10          |
| Acquisition of plant and equipment                         | (1,168)                  | (261)       |
| Proceeds from disposal of plant and equipment              | 6                        | 45          |
| <b>Net cash used in investing activities</b>               | <b>(1,141)</b>           | (206)       |
| <b>Financing activities</b>                                |                          |             |
| Repayment of lease liabilities – principal                 | (603)                    | (1,074)     |
| Repayment of lease liabilities – interest                  | (94)                     | (88)        |
| Repayment of bank borrowings                               | (20,809)                 | (19,394)    |
| Proceeds from bank borrowings                              | 20,820                   | 10,865      |
| Interest paid                                              | (348)                    | (242)       |
| <b>Net cash used in financing activities</b>               | <b>(1,034)</b>           | (9,933)     |
| <b>Net decrease in cash and cash equivalents</b>           | <b>(42,364)</b>          | (32,025)    |
| <b>Cash and cash equivalents at beginning of period</b>    | <b>69,744</b>            | 78,823      |
| Effect of foreign exchange rate changes                    | 7,963                    | 2,271       |
| <b>Cash and cash equivalents at end of period</b>          | <b>35,343</b>            | 49,069      |
| <b>Analysis of components of cash and cash equivalents</b> |                          |             |
| Bank balances and cash                                     | 37,901                   | 50,708      |
| Bank overdraft                                             | (2,558)                  | (1,639)     |
|                                                            | <b>35,343</b>            | 49,069      |

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

*For the six months ended 30 June 2026*

## 1. GENERAL INFORMATION

WebX International Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands, under the Companies Act (As Revised) of the Cayman Islands as an exempted company with limited liability on 21 February 2017 and its shares were listed on GEM of the Stock Exchange on 16 May 2018.

As at 30 June 2026 and 31 December 2025, there was no ultimate controlling party of the Company.

The address of the registered office and headquarters and principal place of business of the Company are disclosed in the section headed “Corporate Information” to this report.

The Company is an investment holding company and its principal subsidiaries are principally engaged in (i) sales of functional knitted fabrics, apparel and yarns; and (ii) cloud-based computing and internet traffic services.

The unaudited condensed interim consolidated financial information are presented in thousands of units of Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company and its Hong Kong subsidiaries. Renminbi (“**RMB**”) is the functional currency of the PRC subsidiaries of the Company.

## 2. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial information has been prepared on the historical cost basis.

The unaudited condensed interim consolidated financial information has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 Interim Financial Reporting issued by Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the GEM Listing Rules. This unaudited condensed interim consolidated financial information does not include all the information and disclosures required for a full set of financial statements and thereby should be read in conjunction with the annual financial statements for the year ended 31 December 2025 (the “**2025 Financial Statements**”) which have been prepared in accordance with HKFRS Accounting Standards (“**HKFRS**”) issued by the HKICPA. The interim financial information has been prepared in accordance with the same accounting policies adopted by the Group in the 2025 Financial Statements except for the adoption of new or revised HKFRSs which include HKFRSs, HKASs, amendments and interpretations (“**Int(s)**”) issued by the HKICPA, which are effective for the Group’s financial year beginning on 1 January 2026. Details of any changes in accounting policies are set out in note 3.

### 3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS AND CHANGES IN OTHER ACCOUNTING POLICIES

In the current interim period, the Group has applied, for its first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2026:

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

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

### 4. REVENUE

Revenue represents the amounts received and receivable from sales of goods and provision of cloud-based computing and internet traffic services in the normal course of business, net of sales related tax.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

|                                                                           | <b>Six months ended 30 June</b> |             |
|---------------------------------------------------------------------------|---------------------------------|-------------|
|                                                                           | <b>2026</b>                     | 2025        |
|                                                                           | <b>HK\$'000</b>                 | HK\$'000    |
|                                                                           | <b>(Unaudited)</b>              | (Unaudited) |
| <b>Revenue from contracts with customers within the scope of HKFRS 15</b> |                                 |             |
| Disaggregated by major products or service line:                          |                                 |             |
| Sales of goods                                                            |                                 |             |
| – Sales of functional knitted fabrics                                     | <b>60,368</b>                   | 22,338      |
| – Sales of apparel                                                        | <b>25,497</b>                   | 3,075       |
| – Sales of yarns                                                          | <b>3,190</b>                    | 4,824       |
|                                                                           | <b>89,055</b>                   | 30,237      |
| Cloud-based computing and internet traffic services                       | <b>12,850</b>                   | 6,214       |
|                                                                           | <b>101,905</b>                  | 36,451      |

The above revenues are all recognised at a point in time.

## 5. SEGMENT INFORMATION

Information reported to the directors of the Company, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on types of sales of goods and services provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

- Sales of functional knitted fabrics, apparel and yarns; and
- Cloud-based computing and internet traffic services.

### Segment revenue and results

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

#### For the six months ended 30 June 2026

|                                | <b>Sales of<br/>functional<br/>knitted fabrics,<br/>apparel and<br/>yarns<br/>HK\$'000<br/>(Unaudited)</b> | <b>Cloud-based<br/>computing and<br/>internet traffic<br/>services<br/>HK\$'000<br/>(Unaudited)</b> | <b>Total<br/>HK\$'000<br/>(Unaudited)</b> |
|--------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------|
| Segment revenue                | <b>89,055</b>                                                                                              | <b>12,850</b>                                                                                       | <b>101,905</b>                            |
| Segment profit/(loss)          | <b>5,119</b>                                                                                               | <b>(1,315)</b>                                                                                      | <b>3,804</b>                              |
| Unallocated corporate expenses |                                                                                                            |                                                                                                     | <b>(5,211)</b>                            |
| Unallocated finance costs      |                                                                                                            |                                                                                                     | <b>(74)</b>                               |
| Loss before taxation           |                                                                                                            |                                                                                                     | <b>(1,481)</b>                            |

## 5. SEGMENT INFORMATION (Continued)

### Segment revenue and results (Continued)

For the six months ended 30 June 2025

|                                | Sales of<br>functional<br>knitted fabrics,<br>apparel and<br>yarns<br>HK\$'000<br>(Unaudited) | Cloud-based<br>computing and<br>internet traffic<br>services<br>HK\$'000<br>(Unaudited) | Total<br>HK\$'000<br>(Unaudited) |
|--------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------------------|
| Segment revenue                | 30,237                                                                                        | 6,214                                                                                   | 36,451                           |
| Segment (loss)/profit          | (4,743)                                                                                       | 774                                                                                     | (3,969)                          |
| Unallocated corporate expenses |                                                                                               |                                                                                         | (3,873)                          |
| Unallocated finance costs      |                                                                                               |                                                                                         | (81)                             |
| Loss before taxation           |                                                                                               |                                                                                         | (7,923)                          |

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss)/profit from each segment without allocation of central administration costs, directors' emoluments and finance costs. This is the measure reported to the chief operating decision maker with respect to the resource allocation and performance assessment.

### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

### Segment assets

|                                                        | 30 June<br>2026<br>HK\$'000<br>(Unaudited) | 31 December<br>2025<br>HK\$'000<br>(Audited) |
|--------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| Sales of functional knitted fabrics, apparel and yarns | 177,956                                    | 157,643                                      |
| Cloud-based computing and internet traffic services    | 47,060                                     | 60,452                                       |
| Total segment assets                                   | 225,016                                    | 218,095                                      |
| Corporate and other assets                             | 11,035                                     | 3,254                                        |
| Total assets                                           | 236,051                                    | 221,349                                      |

## 5. SEGMENT INFORMATION (Continued)

### Segment assets and liabilities (Continued)

#### Segment liabilities

|                                                        | 30 June<br>2026<br>HK\$'000<br>(Unaudited) | 31 December<br>2025<br>HK\$'000<br>(Audited) |
|--------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| Sales of functional knitted fabrics, apparel and yarns | 36,865                                     | 30,906                                       |
| Cloud-based computing and internet traffic services    | 1,548                                      | 9,013                                        |
| Total segment liabilities                              | 38,413                                     | 39,919                                       |
| Corporate and other liabilities                        | 21,007                                     | 11,827                                       |
| Total liabilities                                      | 59,420                                     | 51,746                                       |

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to operating segments, other than pledged bank deposits, certain plant and equipment, right-of-use assets, deposits, other receivables and bank balances and cash; and
- All liabilities are allocated to operating segments, other than bank overdraft, certain other payables and accruals, lease liabilities and bank borrowings and other loans.

#### Information about major customers

Revenue from customers of the corresponding periods contributing over 10% of the total revenue of the Group is as follows:

|                                                        | Six months ended 30 June<br>2026<br>HK\$'000<br>(Unaudited) | 2025<br>HK\$'000<br>(Unaudited) |
|--------------------------------------------------------|-------------------------------------------------------------|---------------------------------|
| Sales of functional knitted fabrics, apparel and yarns |                                                             |                                 |
| Customer A                                             | 20,654                                                      | N/A <sup>1</sup>                |
| Customer B                                             | 15,171                                                      | N/A <sup>1</sup>                |
| Customer C                                             | 14,040                                                      | N/A <sup>1</sup>                |
| Customer D                                             | 10,517                                                      | 8,421                           |

<sup>1</sup> The corresponding revenue did not contribute over 10% of the total revenue of the Group for that period.

## 6. FINANCE COSTS

|                                  | Six months ended 30 June |             |
|----------------------------------|--------------------------|-------------|
|                                  | 2026                     | 2025        |
|                                  | HK\$'000                 | HK\$'000    |
|                                  | (Unaudited)              | (Unaudited) |
| Interests on:                    |                          |             |
| – Bank borrowings and overdrafts | 348                      | 242         |
| – Lease liabilities              | 94                       | 88          |
|                                  | 442                      | 330         |

## 7. INCOME TAX (EXPENSES)/CREDIT

|                                   | Six months ended 30 June |             |
|-----------------------------------|--------------------------|-------------|
|                                   | 2026                     | 2025        |
|                                   | HK\$'000                 | HK\$'000    |
|                                   | (Unaudited)              | (Unaudited) |
| Current tax:                      |                          |             |
| PRC Enterprise Income Tax ("EIT") | (140)                    | 942         |

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made as there are no assessable profits for the six months ended 30 June 2026 and 2025.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulations for the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

One of the Group's subsidiaries established in the PRC is recognised as a High and New-Technology Enterprise which has been granted tax concessions by the local tax bureau and is entitled to PRC EIT at a concessionary rate of 15%.

One of the Group's subsidiaries registered in the PRC is qualified under the Notice of Comprehensive Tax Relief for Small and Micro Enterprises recognised as small and low profit enterprises which have been granted tax concessions by PRC tax bureau and is entitled to PRC enterprise income tax at concessionary rate of 5% for the first portion of less than RMB1 million taxable income and 10% for the second portion of more than RMB1 million but less than RMB3 million taxable income during the reporting period.

Pursuant to the rules and regulations of the British Virgin Islands and the Cayman Islands, the Group is not subject to any income tax in these jurisdictions.

## 8. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging/(crediting):

|                                                                                 | <b>Six months ended 30 June</b> |             |
|---------------------------------------------------------------------------------|---------------------------------|-------------|
|                                                                                 | <b>2026</b>                     | 2025        |
|                                                                                 | <b>HK\$'000</b>                 | HK\$'000    |
|                                                                                 | <b>(Unaudited)</b>              | (Unaudited) |
| Directors' emoluments                                                           | <b>1,896</b>                    | 1,887       |
| Salaries, allowances and other benefits<br>(excluding directors' emoluments)    | <b>3,693</b>                    | 4,621       |
| Contributions to retirement benefit scheme<br>(excluding directors' emoluments) | <b>326</b>                      | 398         |
| <b>Total staff costs</b>                                                        | <b>5,915</b>                    | 6,906       |
| Cost of inventories recognised as an expense                                    | <b>77,141</b>                   | 24,254      |
| Depreciation of plant and equipment                                             | <b>869</b>                      | 805         |
| Gain on disposal of plant and equipment                                         | <b>(5)</b>                      | (8)         |
| Depreciation of right-of-use assets                                             | <b>1,756</b>                    | 1,032       |
| Interest income                                                                 | <b>(21)</b>                     | (10)        |
| Expenses relating to short-term leases                                          | <b>247</b>                      | 470         |
| Research and development expenses<br>recognised as an expense ( <i>note</i> )   | <b>1,247</b>                    | 1,226       |

*Note:*

The research and development expenses disclosed herein excluded salaries, allowances and other benefits of approximately HK\$1,588,000 and HK\$2,521,000, and contributions to retirement benefit scheme of approximately HK\$137,000 and HK\$169,000 for the six months ended 30 June 2026 and 2025 respectively which had been included in salaries, allowances and other benefits disclosed above.

## 9. LOSS PER SHARE

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

|                                                                                                                     | <b>Six months ended 30 June</b> |             |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------|-------------|
|                                                                                                                     | <b>2026</b>                     | 2025        |
|                                                                                                                     | <b>HK\$'000</b>                 | HK\$'000    |
|                                                                                                                     | <b>(Unaudited)</b>              | (Unaudited) |
| <b>Earnings</b>                                                                                                     |                                 |             |
| Loss for the period attributable to owners of<br>the Company for the purpose of basic and<br>diluted loss per share | <b>(1,624)</b>                  | (6,981)     |

## 9. LOSS PER SHARE (Continued)

|                                                                                                | 30 June 2026<br>000 | 30 June 2025<br>000 |
|------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Number of shares</b>                                                                        |                     |                     |
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | <b>639,000</b>      | 576,000             |

Diluted loss per share was the same as basic loss per share as there were no potential dilutive ordinary shares outstanding for the six months ended 30 June 2026 and 2025.

## 10. PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired plant and equipment of approximately HK\$1,168,000 (six months ended 30 June 2025: HK\$261,000).

## 11. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

|                                                                               | 30 June 2026<br>HK\$'000<br>(Unaudited) | 31 December 2025<br>HK\$'000<br>(Audited) |
|-------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| Gross amount of total trade receivables arising from contracts with customers | <b>53,975</b>                           | 35,663                                    |
| Less: allowance for impairment of trade receivables                           | <b>(6,801)</b>                          | (6,801)                                   |
|                                                                               | <b>47,174</b>                           | 28,862                                    |
| Other receivables                                                             | <b>8,782</b>                            | 1,298                                     |
| Deposits                                                                      | <b>307</b>                              | 559                                       |
| Prepayments                                                                   | <b>89,595</b>                           | 80,951                                    |
| Less: allowance for impairment of prepayments                                 | <b>(7,863)</b>                          | (9,482)                                   |
|                                                                               | <b>90,821</b>                           | 73,326                                    |

The Group allows a credit period of 30 to 120 days to its customers. The Group does not hold any collateral over its trade receivables. The following is an aged analysis of trade receivables net of allowance for impairment of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates, at the end of the reporting period.

|                  | 30 June 2026<br>HK\$'000<br>(Unaudited) | 31 December 2025<br>HK\$'000<br>(Audited) |
|------------------|-----------------------------------------|-------------------------------------------|
| Within 30 days   | <b>39,555</b>                           | 24,229                                    |
| 31 to 60 days    | <b>3,486</b>                            | 1,084                                     |
| 61 to 90 days    | <b>4,133</b>                            | 689                                       |
| 91 to 180 days   | –                                       | 1,616                                     |
| 181 to 365 days  | –                                       | 17                                        |
| More than 1 year | –                                       | 1,227                                     |
|                  | <b>47,174</b>                           | 28,862                                    |

## 12. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

|                              | 30 June 2026<br>HK\$'000<br>(Unaudited) | 31 December 2025<br>HK\$'000<br>(Audited) |
|------------------------------|-----------------------------------------|-------------------------------------------|
| Trade payables               | 15,878                                  | 7,784                                     |
| Other payables and accruals: |                                         |                                           |
| Accrued expenses             | 8,369                                   | 6,585                                     |
| Other payables               | 1,643                                   | 1,201                                     |
| Other tax payables           | 31                                      | 2,489                                     |
|                              | 10,043                                  | 10,275                                    |

The following is an aged analysis of trade payables presented based on invoice dates at the end of the reporting period.

|                | 30 June 2026<br>HK\$'000<br>(Unaudited) | 31 December 2025<br>HK\$'000<br>(Audited) |
|----------------|-----------------------------------------|-------------------------------------------|
| Within 30 days | 13,132                                  | 7,105                                     |
| 31 to 60 days  | 2,535                                   | 659                                       |
| 61 to 90 days  | 211                                     | 20                                        |
|                | 15,878                                  | 7,784                                     |

The credit period granted is ranging from 30 to 90 days. The Group has financial risk management in place to ensure that all payables are settled within the credit timeframe.

### 13. BANK BORROWING AND OTHER LOANS AND BANK OVERDRAFT

|                                    | 30 June 2026<br>HK\$'000<br>(Unaudited) | 31 December 2025<br>HK\$'000<br>(Audited) |
|------------------------------------|-----------------------------------------|-------------------------------------------|
| Bank overdraft                     | 2,558                                   | 1,855                                     |
| Unsecured bank borrowings (note a) | 20,321                                  | 20,012                                    |
| Other loans (note b)               | 5,444                                   | 4,944                                     |
|                                    | <b>28,323</b>                           | 26,811                                    |

Notes:

- a. All bank borrowings outstanding as at 30 June 2026 and 31 December 2025 respectively were guaranteed by Mr. Xi Bin, the chief executive officer of the Group and a director of a subsidiary of the Company, and his spouse.
- b. As at 30 June 2026, included in other loans are (i) an interest-bearing loan carrying fixed interest at 5% of HK\$434,000 from one third party to the Group; and (ii) interest-free loans of HK\$360,000 and HK\$4,650,000 from Mr. Li Jian and Mr. Wong, respectively, who are both directors and shareholders of the Company.

As at 31 December 2025, included in other loans are (i) an interest-bearing loan carrying fixed interest at 5% of HK\$434,000 from one third party to the Group; and (ii) interest-free loans of HK\$360,000 and HK\$4,150,000 from Mr. Li Jian and Mr. Wong, respectively, who are both directors and shareholders of the Company.

### 14. DIVIDENDS

No dividend has been declared by the Company for the six months ended 30 June 2026 and 2025, nor has any dividend been proposed since the end of the reporting period.

### 15. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the unaudited condensed interim consolidated financial information for the six months ended 30 June 2026 and 2025, the Group has the following transactions with related parties:

#### (a) Transactions with related parties

| Related party                             | Nature of transaction | Six months ended 30 June<br>2026<br>HK\$'000<br>(Unaudited) | 2025<br>HK\$'000<br>(Unaudited) |
|-------------------------------------------|-----------------------|-------------------------------------------------------------|---------------------------------|
| Proudly Limited (note i)                  | Consultancy services  | 60                                                          | 60                              |
| Leahander Investment Limited<br>(note ii) | Rental                | 72                                                          | 36                              |

*Notes:*

- i. The consultancy agreement was entered into by the Group and Proudly Limited, a company wholly owned by Mr. Hung Yuk Miu, a non-executive director of the Company, for the provision of certain consultancy services. Such consultancy agreement was negotiated on arm's length basis and the terms thereof are on normal commercial terms.
- ii. A subsidiary of the Company has entered into a tenancy agreement with Leahander Investment Limited, a company held by a holding company in which Mr. Wong, a non-executive Director of the Company, holds a shareholding interest. The tenancy is for a fixed term of one year from 1 March 2025 to 28 February 2026, with an option for renewal for a further term of one year from 1 March 2026 to 28 February 2027. Such tenancy agreement was negotiated on arm's length basis and the terms thereof are on normal commercial terms.

**(b) Personal guarantee provided by Mr. Xi Bin and his spouse to secure bank borrowings**

Mr. Xi Bin, the chief executive officer of the Group and a director of a subsidiary of the Company, and his spouse have provided personal guarantees for the bank borrowings of approximately HK\$20,321,000 (as at 31 December 2025: approximately HK\$20,012,000) to the Group for the six months ended 30 June 2026.

**(c) Compensation to key management personnel**

The remuneration of key management personnel representing the directors of the Company, during the periods was as follows:

|                          | <b>Six months ended 30 June</b> |             |
|--------------------------|---------------------------------|-------------|
|                          | <b>2026</b>                     | 2025        |
|                          | <b>HK\$'000</b>                 | HK\$'000    |
|                          | <b>(Unaudited)</b>              | (Unaudited) |
| Short-term benefits      | <b>1,869</b>                    | 1,860       |
| Post-employment benefits | <b>27</b>                       | 27          |
|                          | <b>1,896</b>                    | 1,887       |

The remuneration of the key management personnel is determined by the Board of Directors of the Company having regards to, among others, the performance of individuals and market norm.

**16. SEASONALITY OF OPERATIONS**

Based on the Group's historical sales trends, the Group generally experiences more sales in functional knitted fabrics, apparel and yarns in the second half of the year as compared with the first half of the year due to the seasonality effect of demand for functional knitted fabrics, subject to actual demand and trend of the market.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Board is pleased to present the unaudited condensed interim consolidated financial information of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2026, together with the comparative figures for the corresponding period in 2025.

### Business Review and Outlook

The Company is an investment holding company and its principal subsidiaries are principally engaged in (i) sales of functional knitted fabrics, apparel and yarns; and (ii) cloud-based computing and internet traffic services.

The fabric products are primarily sold directly to (i) lingerie and apparel brand owners; (ii) sourcing agents; and (iii) garment manufacturers. The Group continues to design functional knitted fabrics through its product innovation capabilities, source its raw materials comprising primarily synthetic fibres and yarns and engage third party factories to carry out production processes comprising yarn spinning, knitting and dyeing, for its direct sales of functional knitted fabrics to the customers. With a view to diversifying the Group’s source of revenue and creating cross-selling opportunity, the Group also engages in the sales of apparel to its customers which are lingerie and apparel brand owners.

The cloud-based computing and internet traffic services segment commenced in 2023 and saw continuous growth.

The Group will continue to monitor the market situation and evaluate the Group’s operation and financial performance in order to best position the Group. The Group will make adjustments to capture the opportunities arising from economic recovery in the PRC. The Group intends to drive emerging deployments in artificial intelligence (the “**AI**”) media and cloud computing platform across Hong Kong and PRC markets, laying a foundation for the Group’s future rapid development. Moving forward, the Group will continue to expand the advancement in cloud computing and the AI technologies.

## Financial Review

### Revenue

The following table sets forth an analysis of revenue of the Group by sale of goods and services provided during the six months ended 30 June 2026 and 2025.

|                                                                    | <b>Six months ended 30 June</b> |             |
|--------------------------------------------------------------------|---------------------------------|-------------|
|                                                                    | <b>2026</b>                     | 2025        |
|                                                                    | <b>HK\$'000</b>                 | HK\$'000    |
|                                                                    | <b>(Unaudited)</b>              | (Unaudited) |
| Revenue from contracts with customers within the scope of HKFRS 15 |                                 |             |
| Disaggregated by major products or service line:                   |                                 |             |
| Sales of goods                                                     |                                 |             |
| – Sales of functional knitted fabrics                              | <b>60,368</b>                   | 22,338      |
| – Sales of apparel                                                 | <b>25,497</b>                   | 3,075       |
| – Sales of yarns                                                   | <b>3,190</b>                    | 4,824       |
|                                                                    | <b>89,055</b>                   | 30,237      |
| Cloud-based computing and internet traffic services                | <b>12,850</b>                   | 6,214       |
|                                                                    | <b>101,905</b>                  | 36,451      |

The Group's revenue increased by approximately HK\$65,454,000 or 179.6%, from approximately HK\$36,451,000 for the six months ended 30 June 2025 to approximately HK\$101,905,000 for the six months ended 30 June 2026.

The Group's revenue has been gradually recovering to the pre-epidemic level as expected by the management of the Company during the six months ended 30 June 2026, and the steady development in the new business of cloud-based computing and internet traffic services is expected to provide an alternative source of income to the Group.

### Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$7,407,000 or 128.7% from approximately HK\$5,755,000 for the six months ended 30 June 2025 to approximately HK\$13,162,000 for the six months ended 30 June 2026.

The gross profit margin decreased by 2.9 percentage points from 15.8% for the six months ended 30 June 2025 to approximately 12.9% for the six months ended 30 June 2026. Such decrease was primarily attributable to the increase in sales of functional knitted fabrics, apparel and yarns segment, which generated a relatively lower profit margin than the cloud-based computing and internet traffic services segment.

### ***Selling and distribution expenses***

The Group's selling and distribution expenses decreased by approximately HK\$406,000, or 12.7%, from approximately HK\$3,193,000 for the six months ended 30 June 2025 to approximately HK\$2,787,000 for the six months ended 30 June 2026 primarily due to the decrease in digital marketing and e-commerce agency fees and staff costs during the period.

### ***Administrative and other expenses***

The Group's administrative and other expenses increased by approximately HK\$2,076,000, or 20.1%, from approximately HK\$10,311,000 for the six months ended 30 June 2025 to approximately HK\$12,387,000 for the six months ended 30 June 2026 mainly due to the increase in depreciation of plant and equipment and right-of-use assets during the period.

### ***Income tax (expenses)/credit***

The income tax expenses were approximately HK\$140,000 for the six months ended 30 June 2026 comparing with the income tax credit of approximately HK\$942,000 for the six months ended 30 June 2025, and the effective tax rate for the same period was approximately 9.5% and -11.9%, respectively. The change in the effective tax rate was mainly attributable to the increase in sales of functional knitted fabrics, apparel and yarns.

### ***Loss for the period attributable to owners of the Company***

As a result of the foregoing, the loss for the period attributable to owners of the Company was approximately HK\$1,624,000 for the six months ended 30 June 2026 comparing with the loss of approximately HK\$6,981,000 for the six months ended 30 June 2025, which was mainly attributable to the increase in gross profit as explained above.

### ***Dividend***

The Board does not recommend the payment of any dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

### ***Trade receivables and trade payables***

The Group's trade receivables increased by approximately HK\$18,312,000, or 63.4%, from approximately HK\$28,862,000 as at 31 December 2025 to approximately HK\$47,174,000 as at 30 June 2026. Besides, the Group's trade payables also increased by approximately HK\$8,094,000, or 104.0%, from approximately HK\$7,784,000 as at 31 December 2025 to approximately HK\$15,878,000 as at 30 June 2026. The significant increase in both the trade receivables and trade payables was mainly due to the increase in sales of functional knitted fabrics, apparel and yarns.

## ***Liquidity, Financial Resources and Capital Structure***

During the six months ended 30 June 2026, the Group financed its operation mainly through cash generated from operations, bank borrowings and banking facilities.

As at 30 June 2026, the Group had cash and cash equivalents (defined as bank balance and cash less bank overdrafts and excluded pledged bank deposits) of approximately HK\$35,343,000 (as at 31 December 2025: HK\$69,744,000), bank borrowings and other loans of approximately HK\$25,765,000 (as at 31 December 2025: HK\$24,956,000) and bank overdraft of approximately HK\$2,558,000 (as at 31 December 2025: HK\$1,855,000).

As at 30 June 2026 and 31 December 2025, all outstanding bank borrowings were interest-bearing bank loans denominated in RMB and were guaranteed by Mr. Xi Bin, the chief executive officer of the Group and a director of a subsidiary of the Company, and his spouse. The bank overdraft of approximately HK\$2,558,000 as at 30 June 2026 (as at 31 December 2025: HK\$1,855,000) was secured by pledged bank deposits of approximately HK\$2,879,000 as at 30 June 2026 (as at 31 December 2025: HK\$2,768,000).

The quick ratio is calculated on current assets excluding inventories divided by current liabilities. The quick ratio of the Group as at 30 June 2026 was approximately 3.01 times (as at 30 June 2025: approximately 3.09 times; as at 31 December 2025: approximately 3.50 times). The quick ratio of the Group as at 30 June 2026 was lower when comparing with the corresponding period end date in last year mainly due to the increase in trade payables. The decrease in the quick ratio of the Group as at 30 June 2026 when comparing with the date as at 31 December 2025 was mainly due to the increase in the trade payables and bank borrowings and other loans and bank overdraft.

As at 30 June 2026, the Company's issued share capital was HK\$6,390,000 and the number of its issued ordinary shares (the **"Shares"**) was 639,000,000 of HK\$0.01 each.

## ***Gearing Ratio***

The Group's gearing ratio, which is calculated based on the total debt (defined as the sum of bank borrowings and other loans and bank overdraft) as at the respective financial period end date divided by total equity as at the respective corresponding period end date was approximately 16.0% as at 30 June 2026 (as at 31 December 2025: 15.8%) which was mainly caused by the increase in bank borrowings and other loans and bank overdraft.

## ***Foreign Exchange Exposure Risks***

The Group's reporting currency is Hong Kong dollars and most of the business transactions are denominated in other currencies including RMB and US dollars (**"USD"**). Hence, exchange rate fluctuation can affect the profit margin of the Group. The Group's foreign exchange gains or losses primarily arise from the settlement of trade payables denominated in USD. Although the receipt of our trade receivables was denominated in both RMB and USD, the Group's principal business is located in the PRC, and its transactions are mainly conducted in RMB. The Group did not use any hedging contracts to engage in speculative activities during the six months ended 30 June 2026. The Group's management will closely monitor the foreign currency risk exposure and take necessary measures to minimise the potential foreign exchange risks.

## **Future Plans for Material Investments and Capital Assets**

There was no material acquisition and disposal of subsidiaries and assets by the Group during the six months ended 30 June 2026 (the six months ended 30 June 2025: Nil). As of the date of this report, the Group had no plans for material investments or capital assets.

## **Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies**

For the six months ended 30 June 2026, the Group did not have any material acquisitions or disposals of any of the Company's subsidiaries and affiliated companies (the six months ended 30 June 2025: Nil).

## **Significant Investment Held**

The Group did not hold any significant investments during the six months ended 30 June 2026 (the six months ended 30 June 2025: Nil).

## **Commitments and Contingent Liabilities**

As at 30 June 2026, the Group had no material capital commitments and contingent liabilities (as at 31 December 2025: Nil).

## **Charge on Group's Assets**

The Group had pledged bank deposits of approximately HK\$2,879,000 (as at 31 December 2025: HK\$2,768,000) to secure general banking facilities granted to the Company's subsidiary in Hong Kong as at 30 June 2026. Save as disclosed above, as at 30 June 2026, the Group's bank borrowings and other loans of approximately HK\$25,765,000 (as at 31 December 2025: HK\$24,956,000) were not secured by any of the Group's assets.

## **Employees and Remuneration Policies**

As at 30 June 2026, the Group had a total of 84 (as at 31 December 2025: 67) employees and most of them were working in our Dongguan office. We incurred staff costs inclusive of performance-related bonuses and Directors' remuneration in the aggregate of approximately HK\$5,915,000 and HK\$6,906,000 for the six months ended 30 June 2026 and 2025, respectively. The Group regularly reviews the performance of its employees and make reference to such performance reviews in its salary review and promotional appraisal in order to attract and retain talented employees. For its sales staff, it offers a remuneration package comprising a basic salary and a performance-based bonus.

The Group emphasises the importance and necessity of cultivating an ethical culture inside a company. The Group provides training programs covering skills in management, sales and marketing, and quality control to employees of the Group.

## Issue of New Shares Under the General Mandate (the “Sept 2025 Subscription”)

On 29 July 2025, the Company and an independent party (the “**Subscriber**”) entered into the Subscription Agreement (the “**Subscription Agreement**”) pursuant to which the Company agreed to issue and allot to the Subscriber, and the Subscriber agreed to subscribe for, an aggregate of 63,000,000 new ordinary shares (the “**Shares**”) of the Company (the “**Subscription Shares**”, and each a “**Subscription Share**”) at a price of HK\$0.76 per Share, representing a discount of approximately 16.48% to the closing price of HK\$0.91 per Share as quoted on the Stock Exchange on 29 July 2025 (being the date of the entering into of the Subscription Agreement).

The Subscription Shares were issued pursuant to the general mandate granted by shareholders at the annual general meeting of the Company held on 20 June 2025. The Directors were of the view that the Sept 2025 Subscription could raise working capital of the Group to address and support the furtherance of the Group’s businesses and to diversify business risks as well as to broaden income source of the Group. The Company proposed to allocate resources towards the furtherance of cloud-based computing and internet traffic services, which includes (i) securing additional computing resources for its expansion plan by entering into service agreement with vendors (i.e. data centres); (ii) contributing towards the settlement of expenses incurred in connection with the provision of customised solutions; (iii) for the use of employees related costs; and (iv) for the use of other operating expenses, such as, maintenance, equipment, office rental costs. As such, the Directors considered that the Sept 2025 Subscription was in the interests of the Company and the shareholders as a whole.

Completion of the Sept 2025 Subscription took place on 10 September 2025. The gross proceeds were approximately HK\$47.88 million and the net proceeds were approximately HK\$47.62 million (after deduction of commission and other expenses of the Sept 2025 Subscription). On such basis, the net issue price per Subscription Share was approximately HK\$0.756.

For details of the Sept 2025 Subscription, please refer to the announcements of the Company dated 29 July 2025, 18 August 2025, 1 September 2025 and 10 September 2025.

## Use of Proceeds

Details of the use of the proceeds from the Sept 2025 Subscription:

| Intended use of proceeds                                                                                                                   | Balance available as at 31 December 2025<br>HK\$ (in million) | Actual use of proceeds during the six months ended 30 June 2026<br>HK\$ (in million) | Balance available as at 30 June 2026<br>HK\$ (in million) | Expected timeline for the full utilization of the proceeds |
|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------------|
| Costs of lease/purchase computing power (bandwidth usage/data transfer volume/unit price)                                                  | –                                                             | –                                                                                    | –                                                         |                                                            |
| Expenditure for provision of customised solution                                                                                           | 6.3                                                           | 3.3                                                                                  | 3.0                                                       | On or before 31 March 2027                                 |
| Employees costs, main duties of which include, data analysis, data and network management, assistance in provision of customised solutions | 4.6                                                           | 2.2                                                                                  | 2.4                                                       | On or before 31 March 2027                                 |
| Other operating expenses, such as, maintenance, equipment, office rental costs                                                             | 2.0                                                           | 2.0                                                                                  | –                                                         |                                                            |
| General working capital                                                                                                                    | 4.8                                                           | 0.6                                                                                  | 4.2                                                       | On or before 31 March 2027                                 |
| Total                                                                                                                                      | 17.7                                                          | 8.1                                                                                  | 9.6                                                       |                                                            |

## OTHER INFORMATION

### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong (the "**SFO**")) which are (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); (b) required to be recorded in the register required to be kept under section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

#### *Long Position in the Shares or the ordinary shares of the associated corporations of the Company*

| Name of Director                         | Name of Group member/associated corporation | Capacity/nature of Interest | Total number of shares | Percentage of interest |
|------------------------------------------|---------------------------------------------|-----------------------------|------------------------|------------------------|
| Mr. Wong Kai Hung Kelvin<br>("Mr. Wong") | The Company                                 | Beneficial Owner            | 5,000 Shares           | 0.00%                  |
| Mr. Li Jian                              | The Company                                 | Beneficial Owner            | 89,495,000 Shares      | 14.00%                 |
| Mr. Chen Simon Guomin                    | The Company                                 | Beneficial Owner            | 80,540,000 Shares      | 12.60%                 |

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company nor their associates had registered an interest or short position in any shares or underlying shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they are taken or deemed to have under such provisions of the SFO) or that was required to be recorded in the register kept by the Company pursuant to section 352 of the SFO, or which are required to be notified to the Company and the Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

### Directors' Rights to Acquire Shares and Debentures

At no time during the six months ended 30 June 2026 and up to the date of this report was the Company, its subsidiaries, its fellow subsidiaries or its holding companies a party to any arrangement which would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## Substantial Shareholders' Interests in Shares and Underlying Shares

So far as is known to any Directors or chief executive of the Company, as at 30 June 2026, the following persons (other than Directors or chief executive of the Company whose interests are disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" above) have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under section 336 of the SFO:

### Long positions in the Shares of the Company

| Name of person                                  | Name of Group member | Capacity/nature of Interest          | Number and class of securities | Percentage of interest |
|-------------------------------------------------|----------------------|--------------------------------------|--------------------------------|------------------------|
| Ms. Li Yingyang                                 | The Company          | Beneficial Owner                     | 56,035,000 Shares              | 8.77%                  |
| Mr. Yasir Ali (Note 1)                          | The Company          | Interest in a controlled corporation | 96,000,000 Shares              | 15.02%                 |
| Meta Tdex Technology LLC ("Meta Tdex") (Note 1) | The Company          | Beneficial Owner                     | 96,000,000 Shares              | 15.02%                 |
| Abraham Strategies 2 Limited (Note 2)           | The Company          | Interest in a controlled corporation | 63,000,000 Shares              | 9.86%                  |
| Mr. Gomez Abraham (Note 2)                      | The Company          | Beneficial Owner                     | 63,000,000 Shares              | 9.86%                  |

#### Notes:

1. Mr. Yasir Ali is interested in 96,000,000 Shares through a controlled corporation. These 96,000,000 Shares are registered in the name of Meta Tdex, a company whose 60% of its issued share capital is owned by Mr. Yasir Ali. By virtue of the provisions in Part XV of the SFO, Mr. Yasir Ali is deemed to be interested in all the Shares held by Meta Tdex.
2. 100% of the issued share capital of Abraham Strategies 2 Limited is owned by Abraham Strategies Limited, the entire issued share capital of which is owned by Mr. Gomez Abraham.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other person who had or was deemed to have interests or short positions in the Shares and underlying Shares which has been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under section 336 of the SFO.

## Adoption of New Memorandum and Articles of Association

The Board proposed to amend the then existing memorandum of association and articles of association of the Company (the “**Memorandum and Articles of Association**”) in order to (i) provide the Company with flexibility to hold treasury shares under the articles of association; (ii) enable the shareholders to give instructions, receive corporate action proceeds and pay subscription monies for offers to subscribe for new securities by electronic means; (iii) prepare for the uncertificated securities market regime by adding provisions to allow shareholders to hold and transfer Shares in uncertificated form; and (iv) make other miscellaneous and housekeeping amendments, as well as update certain provisions with reference to the latest applicable laws of the Cayman Islands and the GEM Listing Rules. In view of such amendments, the Board proposed to adopt the third amended and restated Memorandum and Articles of Association (the “**New Memorandum and Articles of Association**”) of the Company in substitution for, and to the exclusion of, the Memorandum and Articles of Association. The New Memorandum and Articles of Association was adopted by the shareholders by passing a special resolution at the annual general meeting of the Company held on 12 June 2026. Details of the New Memorandum and Articles of Association are disclosed in the announcement of the Company dated 19 May 2026 and the circular of the Company dated 20 May 2026.

## Competing Interests

During the six months ended 30 June 2026 and up to the date of this report, none of the Directors or the substantial shareholders of the Company or their respective close associates (as defined in the GEM Listing Rules) is interested in any business which competes or may compete, either directly or indirectly, with the business of the Group nor has or may have any conflicts of interest with any business of the Group.

## Disclosure pursuant to Rule 17.22 of the GEM Listing Rules

On 31 October 2025, Cloudpotent Limited (the “**Purchaser**”), a wholly-owned subsidiary of the Company, entered into a lease service agreement (the “**Lease Service Agreement**”) with Pansemi (Singapore) Pte. Ltd (the “**Supplier**” or “**Pansemi**”) for the purchase of computing power. Pursuant to the Lease Service Agreement, the service term runs from 1 November 2025 to 31 October 2026 and the total service fee payable by the Purchaser for the computing power is USD3.9 million (equivalent to approximately HK\$30.0 million), which the Purchaser had paid in full (the “**Prepayment**”). The Supplier shall deliver the computing power to the Purchaser in accordance with the terms of the Lease Service Agreement.

Pansemi is a company incorporated in Singapore with limited liability and acts as the holding and operational entity for its subsidiaries (together, the **"Pansemi Group"**). The Pansemi Group principally engages in the semiconductor and electronics trading business in Southeast Asia, including semiconductor supply and System-on-Chip (**"SoC"**) design, with a particular focus on security camera and IoT solutions, facilitated through strategic industry partnerships. The Pansemi Group is a renowned provider of computing power services in the industry and serves as a strategic partner of "WhatsMiner" with official global sales authorisation. It has established a stable computing power service supply system and possesses significant technical advantages. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Pansemi and its ultimate beneficial owner(s) are independent third parties and are not connected with the Company and its connected persons (as defined in the GEM Listing Rules).

Details of the Prepayment were disclosed in the announcements of the Company dated 21 October 2025 and 31 October 2025. The Prepayment was made in the ordinary and usual course of business of the Group. No interest is charged on the amount of the Prepayment and no collateral security is provided by the Supplier to secure the repayment of the Prepayment, in view of its nature as a service fee payable by the Group.

As at 30 June 2026, the outstanding amount of the Prepayment of USD3.9 million (equivalent to approximately HK\$30.0 million) (as at 31 December 2025: USD3.9 million (equivalent to approximately HK\$30.0 million)) represented approximately 12.7% of the unaudited consolidated total assets of the Group of approximately HK\$236.1 million as at 30 June 2026 (as at 31 December 2025: 13.6% of the audited consolidated total assets of the Group of approximately HK\$221.3 million). As at the date of this report, the Purchaser intends to negotiate with the Supplier regarding an extension of the Lease Service Agreement.

Save as disclosed above, as at 30 June 2026, the Group had no other circumstances which would give rise to a disclosure obligation under Rule 17.22 of the GEM Listing Rules.

## **Audit Committee**

The Company has established the audit committee (the **"Audit Committee"**) in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and with written terms of reference. The full terms of reference setting out details of duties of the Audit Committee are in compliance with the Corporate Governance Code (the **"CG Code"**) set out in Part 2 of Appendix C1 to the GEM Listing Rules and are available on the websites of the Stock Exchange and the Company. The Audit Committee comprises three independent non-executive Directors, namely Mr. Ng Wing Heng Henry, Dr. Chan Yee Wah, and Mr. Liu Mingfang. Mr. Ng Wing Heng Henry is the chairman of the Audit Committee.

The Audit Committee has reviewed the Group's unaudited condensed interim consolidated financial information for the six months ended 30 June 2026, which have been approved by the Board on 31 August 2026 prior to its issuance. The Audit Committee is of the view that the unaudited condensed interim consolidated financial information for the six months ended 30 June 2026 is in compliance with the applicable accounting standards, the GEM Listing Rules and other legal requirements, and that sufficient disclosure has been made.

## Securities Transactions by Directors

The Company has adopted a code of conduct (the “**Code of Conduct**”) regarding the dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has confirmed, having made specific enquiries of all Directors, that all Directors have complied with the Code of Conduct during the six months ended 30 June 2026 and up to the date of this report.

## Purchase, Sale or Redemption of Listed Securities of the Company

During the six months ended 30 June 2026 and up to the date of this report, the Company did not redeem any of its listed securities, nor did the Company or any of its subsidiaries purchase or sell any of the Company’s listed securities.

## Corporate Governance Practices

The Group is committed to ensuring high standards of corporate governance and business practices. The Company’s corporate governance practices are based on the CG Code. During the period and up to the date of this report, the Company has complied with all the applicable code provisions of the CG Code.

## Sufficiency of Public Float

Based on the information publicly available to the Company and within the knowledge of the Directors, as at the latest practicable date prior to the issue of this report, the Company has maintained the prescribed public float under the GEM Listing Rules.

For and on behalf of the Board

**WebX International Holdings Company Limited**

**Wong Kai Hung Kelvin**

*Chairman and Non-Executive Director*

Hong Kong, 31 August 2026

*As at the date of this report, the Board comprises two executive Directors, namely, Mr. Li Jian and Mr. Chen Simon Guomin; two non-executive Directors, namely, Mr. Wong Kai Hung Kelvin and Mr. Hung Yuk Miu; and three independent non-executive Directors, namely, Mr. Ng Wing Heng Henry, Dr. Chan Yee Wah and Mr. Liu Mingfang.*