Hyfusin Group Holdings Limited
凱富善集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8512

2026 Interim Report

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Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the "**Directors**") of Hyfusin Group Holdings Limited (the "**Company**") 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 and its subsidiaries (together, the "**Group**"). 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.*

CONTENTS

CORPORATE INFORMATION

Board of Directors	**Executive Directors** Mr. Wong Wai Chit *(Chairman)* Mr. Wong Man Chit *(Chief Executive Officer)* Ms. Wong Wan Yan
	Independent Non-executive Directors Mr. Chan Cheong Tat Mr. Ho Chi Wai Mr. Chu Kin Wang, Peleus
Audit committee	Mr. Chan Cheong Tat *(Chairman)* Mr. Ho Chi Wai Mr. Chu Kin Wang, Peleus
Remuneration committee	Mr. Chu Kin Wang, Peleus *(Chairman)* Mr. Chan Cheong Tat Mr. Ho Chi Wai
Nomination committee	Mr. Ho Chi Wai *(Chairman)* Mr. Chan Cheong Tat Mr. Chu Kin Wang, Peleus Ms. Wong Wan Yan
Company secretary	Ms. Leung Shui Bing
Authorized representatives	Mr. Wong Wai Chit Ms. Leung Shui Bing
Compliance officer	Mr. Wong Wai Chit
Registered office	Windward 3, Regatta Office Park PO Box 1350 Grand Cayman KY1-1108 Cayman Islands

CORPORATE INFORMATION (CONTINUED)

Headquarters and principal place of business in Hong Kong	Unit Nos.4–8, 2/F Aberdeen Marina Tower 8 Shum Wan Road Aberdeen Hong Kong
Company's website address	http://www.hyfusingroup.com
Principal share registrar and transfer office	**Ocorian Trust (Cayman) Limited** Windward 3, Regatta Office Park PO Box 1350 Grand Cayman KY1-1108 Cayman Islands
Hong Kong branch share registrar and transfer office	**Union Registrars Limited** Suites 3301–04, 33/F Two Chinachem Exchange Square 338 King's Road, North Point Hong Kong

CORPORATE INFORMATION (CONTINUED)

Principal bankers

Shanghai Commercial Bank Limited
Shanghai Commercial Bank Tower
12 Queen's Road Central
Hong Kong

DBS Bank (Hong Kong) Limited
16/F, The Center
99 Queen's Road Central
Hong Kong

Shinhan Bank Vietnam
Floor 9, Sonadezi Tower
No.1, 1 Street, Bion Hoa IZ1
Bien Hoa, Dong Nai
Vietnam

Public Bank Vietnam
251 Pham Van Thuan Street
Tan Mai Ward, Bien Hoa City, Dong Nai
Vietnam

Compliance Adviser

TC Capital International Limited
Room 1604, 16/F
OfficePlus @Sheung Wan
93-103 Wing Lok Street
Hong Kong

Auditor

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30.6.2026 HK$'000 (unaudited)	30.6.2025 HK$'000 (unaudited)
Revenue	3	**341,869**	369,837
Cost of sales		**(244,239)**	(256,125)
Gross profit		**97,630**	113,712
Other income	4	**3,840**	7,068
Other gains and losses, net	5	**(12,641)**	3,991
Selling and distribution expenses		**(16,450)**	(16,684)
Administrative expenses		**(42,338)**	(48,557)
Finance costs	6	**(3,298)**	(4,404)
Profit before income tax expense	8	**26,743**	55,126
Income tax expense	7	**(7,151)**	(9,976)
Profit for the period attributable to the owners of the Company		**19,592**	45,150
Other comprehensive (expense)/income for the period			
Items that may be classified subsequently to profit or loss:			
Fair value (loss)/gain on debt instruments measured at fair value through other comprehensive income		**(11)**	5
		(11)	5
Total comprehensive income for the period attributable to the owners of the Company		**19,581**	45,155
Earnings per share			
Basic and diluted *(HK cents)*	11	**2.13**	4.91

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30.6.2026 *HK$'000* (unaudited)	31.12.2025 *HK$'000* (audited)
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Property, plant and equipment	*12*	183,157	172,375
Right-of-use assets		48,010	48,034
Deposits for the acquisition of property, plant and equipment		4,321	11,851
Debt instruments at fair value through other comprehensive income		899	910
Financial asset at fair value through profit or loss		3,381	3,294
Deferred tax assets		1,301	1,475
Pledged bank deposits	*15*	18,389	18,359
Total non-current assets		259,458	256,298
CURRENT ASSETS			
Inventories	*13*	197,051	79,689
Trade and other receivables	*14*	138,583	119,517
Tax recoverable		31	–
Bank balances and cash	*15*	367,939	405,645
Total current assets		703,604	604,851
Total assets		963,062	861,149
CURRENT LIABILITIES			
Trade and other payables	*16*	152,703	94,269
Contract liabilities	*17*	1,934	236
Bank borrowings	*18*	29,372	5,083
Lease liabilities		3,081	2,978
Tax payable		4,346	5,760
Total current liabilities		191,436	108,326
NET CURRENT ASSETS		512,168	496,525
TOTAL ASSETS LESS CURRENT LIABILITIES		771,626	752,823

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2026

	Notes	30.6.2026 HK$'000 (unaudited)	31.12.2025 HK$'000 (audited)
NON-CURRENT LIABILITIES			
Bank borrowings	18	1,480	3,265
Lease liabilities		1,915	908
Other non-current liabilities		192	192
Total non-current liabilities		3,587	4,365
Total liabilities		195,023	112,691
NET ASSETS		768,039	748,458
EQUITY			
Equity attributable to owners of the Company			
Share capital	19	9,185	9,185
Reserves		758,854	739,273
TOTAL EQUITY		768,039	748,458

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company					
	Share capital *HK$'000*	Share premium *HK$'000*	Fair value through other comprehensive income ("FVTOCI") reserve *HK$'000*	Other reserve *HK$'000*	Retained earnings *HK$'000*	Total *HK$'000*
At 1 January 2025 (audited)	9,185	26,769	(233)	20,605	590,646	646,972
Profit for the period	–	–	–	–	45,150	45,150
Other comprehensive income:						
Fair value gain on debt instruments through other comprehensive income	–	–	5	–	–	5
Total comprehensive income for the period	–	–	5	–	45,150	45,155
As at 30 June 2025 (unaudited)	9,185	26,769	(228)	20,605	635,796	692,127
At 1 January 2026 (audited)	9,185	26,769	(212)	20,605	692,111	748,458
Profit for the period	–	–	–	–	19,592	19,592
Other comprehensive income:						
Fair value loss on debt instruments through other comprehensive income	–	–	(11)	–	–	(11)
Total comprehensive income for the period	–	–	(11)	–	19,592	19,581
As at 30 June 2026 (unaudited)	9,185	26,769	(223)	20,605	711,703	768,039

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	**(42,579)**	31,969
INVESTING ACTIVITIES		
Interest income on debt instruments at FVTOCI	**29**	29
Bank interest income received	**2,603**	4,243
Purchase of property, plant and equipment	**(11,219)**	(31,791)
Deposits for acquisition of property, plant and equipment	**(4,321)**	(7,741)
Placement of pledged bank deposits	**(30)**	(32)
Proceeds from disposal of property, plant and equipment	**–**	383
Release of restricted bank deposits	**–**	1,711
NET CASH USED IN INVESTING ACTIVITIES	**(12,938)**	(33,198)
FINANCING ACTIVITIES		
New bank borrowings raised	**24,289**	30,084
Repayment of bank borrowings	**(1,785)**	(8,507)
Interest paid	**(3,298)**	(4,404)
Repayment of lease liabilities	**(1,395)**	(2,226)
NET CASH FROM FINANCING ACTIVITIES	**17,811**	14,947
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(37,706)**	13,718
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	**405,645**	324,514
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**367,939**	338,232
Represented by:		
Bank balances and cash	**367,939**	338,232

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL AND BASIS OF PREPARATION

Hyfusin Group Holdings Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Act (as revised) of the Cayman Islands on 5 July 2017. The shares of the Company (the "**Shares**") have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 19 July 2018. Its registered office is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and principal place of business is located at Unit Nos. 4–8, 2/F, Aberdeen Marina Tower, 8 Shum Wan Road, Aberdeen, Hong Kong.

The Company is an investment holding company and its subsidiaries (the "**Group**") are principally engaged in manufacturing and sale of candle products. Its parent and ultimate holding company is AVW International Limited ("**AVW**"), a private company incorporated in the British Virgin Islands. Its ultimate controlling shareholders are Mr. Wong Man Chit and Mr. Wong Wai Chit, who are brothers and act in concert over AVW and the companies now comprising the Group.

The functional currency of the Company and its subsidiaries is United States dollars ("**US$**") while the presentation currency of the condensed consolidated financial statements is Hong Kong dollars ("**HK$**") as the directors of the Company (the "**Directors**") consider that HK$ is preferable in presenting the operating results and financial position of the Group, which is more beneficial to the users of the consolidated financial statements.

The condensed consolidated financial statements of the Group have been prepared in accordance with the HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) and the GEM Listing Rules.

The condensed consolidated financial statements of the Group have been prepared under the historical cost basis, except for certain financial instrument which have been measured at fair values.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the six months ended 30 June 2026

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual report for the year ended 31 December 2025, except for the following amendments to HKFRS Accounting Standards issued by the HKICPA that are adopted for the first time for the current accounting period of the Group:

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 adoption of the above amendments to HKFRS Accounting Standards has no material impact on the Group's results and financial position for the current or prior years. The Group has not early applied any new or amended HKFRS Accounting Standards that is not yet effective for the current accounting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

	Six months ended	
	30.6.2026 *HK$'000* **(unaudited)**	30.6.2025 *HK$'000* (unaudited)
Sale of candle products		
Daily-use candles	**43,769**	48,356
Scented candles	**252,172**	268,851
Decorative candles	**17**	11,946
Others (including diffusers)	**45,911**	40,684
Total	**341,869**	369,837
Timing of revenue recognition		
At a point in time	**341,869**	369,837

The Group's market were department stores and buying agents headquartered in United States of America and United Kingdom.

The contracts for sales of goods to external customers are short-term and the contract prices are fixed and agreed with the customers.

(ii) Performance obligations

Sale of candle products (revenue recognised at one point in time)

The Group sells candle products to external customers in which the revenue is recognised when the control of the goods has transferred to the customers, being when the goods have been shipped to the external customers' specified location.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION (Continued)

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

All performance obligations for sale of candle products are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Segment information

Information reported to the executive Directors, being the chief operating decision maker ("**CODM**"), regularly review revenue analysis by product type as set out in the revenue analysis above for the purpose of resource allocation and assessment of performance. However, other than revenue analysis, no operating results and other discrete financial information is regularly reviewed by the CODM for the purpose of resource allocation and assessment of performance of respective businesses. The CODM reviews the operating results (excluding listing expenses) of the Group as a whole to make decisions about resource allocation and for assessment of performance. The operation of the Group constitutes one single operating and reportable segment under HKFRS 8 Operating Segments and accordingly no separate segment information is presented.

Geographical Information

The Group's operations are located in Hong Kong, Vietnam and United States of America.

Information about the Group's revenue from external customers is presented based on the location of the destination points of the customers.

Revenue from external customers

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
United States of America	**318,246**	341,950
United Kingdom	**23,118**	27,356
Others	**505**	531
Total	**341,869**	369,837

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION (Continued)

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers (Continued)

The information about the Group's non-current assets (excluded financial assets and deferred tax assets) is presented based on the geographical locations of the assets.

Non-current assets

	30.6.2026 *HK$'000* (unaudited)	31.12.2025 *HK$'000* (audited)
Hong Kong	4,617	4,574
Vietnam	219,969	220,249
United States of America	10,902	7,437
Total	235,488	232,260

4. OTHER INCOME

	Six months ended	
	30.6.2026 *HK$'000* (unaudited)	30.6.2025 *HK$'000* (unaudited)
Bank interest income	2,603	4,243
Interest income on debt instruments at FVTOCI	29	29
Sundry income	332	1,152
Others	876	1,644
	3,840	7,068

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the six months ended 30 June 2026

5. OTHER GAINS AND LOSSES, NET

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Net foreign exchange gains	**703**	2,232
(Provision)/reversal of impairment loss on trade receivables	**(13,431)**	1,450
Fair value change of financial asset at FVTPL	**87**	44
Gain on disposal of property, plant and equipment	**–**	265
	(12,641)	3,991

6. FINANCE COSTS

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest on bank borrowings	**3,181**	4,239
Interest on lease liabilities	**117**	165
	3,298	4,404

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

7. INCOME TAX EXPENSE

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Current tax:		
– Hong Kong Profits Tax	**4,286**	6,274
– Vietnam Corporate Income Tax	**2,653**	3,652
– Singapore Corporate Income Tax	**268**	–
– Over-provision in respect of prior year	**(229)**	(247)
	6,978	9,679
Deferred taxation:		
Current period	**173**	297
	7,151	9,976

Under the two-tier profits tax regime, Hong Kong Profits Tax is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million for Fleming International Limited, the subsidiary of the Company incorporated in Hong Kong, for the six months ended 30 June 2026 and 2025.

For Fleming International Vietnam Limited, the subsidiary of the Company incorporated in Vietnam, the statutory corporate tax rates are 20% for the six months ended 30 June 2026 and 2025.

For Fleming International (Singapore) Pte. Limited, the subsidiary of the Company incorporated in Singapore, the statutory corporate tax rate is 17% for the six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
For the six months ended 30 June 2026

8. PROFIT BEFORE INCOME TAX EXPENSE

Profit before income tax expense is arrived at after charging/(crediting):

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Auditor's remuneration	**470**	465
Cost of inventories recognised as an expense	**244,186**	255,757
Allowance of inventories (included in cost of sales)	**1,146**	368
Donations	**85**	10
Depreciation of right-of-use assets	**2,528**	2,449
Less: capitalised in inventories and recognised as cost of sales	**(874)**	(874)
	1,654	1,575
Depreciation of property, plant and equipment	**12,289**	9,337
Less: capitalised in inventories and recognised as cost of sales	**(10,778)**	(7,951)
	1,511	1,386
Employee benefit expense (excluding directors' remuneration):		
– Salaries and allowances	**26,669**	29,385
– Discretionary bonus	**2,037**	2,172
– Retirement benefit scheme contribution	**5,705**	6,232
Total staff costs	**34,411**	37,789
Less: capitalised in inventories and recognised as cost of sales	**(21,540)**	(24,365)
	12,871	13,424

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

9. DIRECTORS' REMUNERATION

Directors' and chief executive's remuneration for the six months ended 30 June 2026 and 2025, disclosed pursuant to the applicable GEM Listing Rules and Hong Kong Companies Ordinance (Cap. 622), is as follows:

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Fees	**270**	270
Salaries and other allowances	**4,128**	4,128
Retirement benefits scheme contributions	**27**	27
Other benefits	**775**	1,006
Discretionary bonus	**12,000**	20,528
Total	**17,200**	25,959

10. DIVIDENDS

No dividends were paid, declared or proposed for the six months ended 30 June 2026 and 2025.

11. EARNINGS PER SHARE

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

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Earnings		
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share	**19,592**	45,150

	Six months ended	
	30.6.2026	30.6.2025
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of basic earnings per share	**918,500,000**	918,500,000

No diluted earnings per share for the both periods was presented as there were no potential ordinary shares in issue during both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

12. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment amounting to HK$23,071,000 (for the six months ended 30 June 2025: HK$36,283,000) for the purpose of the Group's operation.

Six months ended 30 June 2026

	Buildings *HK$'000*	Plant and machinery *HK$'000*	Motor vehicles *HK$'000*	Furniture and fixtures *HK$'000*	Office equipment *HK$'000*	Computer equipment *HK$'000*	Total *HK$'000*
Net book value							
At 1 January 2026 (audited)	99,787	56,379	7,179	5,181	3,134	715	172,375
Additions	4,306	15,494	74	3,185	12	–	23,071
Depreciation charge for the period	(2,474)	(7,109)	(1,120)	(909)	(529)	(148)	(12,289)
Net book value as at 30 June 2026 (unaudited)	101,619	64,764	6,133	7,457	2,617	567	183,157

Year ended 31 December 2025

	Buildings *HK$'000*	Plant and machinery *HK$'000*	Motor vehicles *HK$'000*	Furniture and fixtures *HK$'000*	Office equipment *HK$'000*	Computer equipment *HK$'000*	Total *HK$'000*
Net book value							
At 1 January 2025 (audited)	85,291	40,608	7,426	5,677	2,091	1,000	142,093
Additions	18,881	29,891	1,986	1,152	1,938	61	53,909
Disposals	–	(3,370)	(61)	–	–	–	(3,431)
Written-off	(24)	(154)	–	(15)	(2)	–	(195)
Depreciation charge for the year	(4,361)	(10,596)	(2,172)	(1,633)	(893)	(346)	(20,001)
Net book value as at 31 December 2025 (audited)	99,787	56,379	7,179	5,181	3,134	715	172,375

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

13. INVENTORIES

	30.6.2026 *HK$'000* (unaudited)	31.12.2025 *HK$'000* (audited)
Raw materials	97,602	47,836
Work in progress	18,656	3,937
Finished goods	48,340	25,225
Goods in transit	39,531	8,640
	204,129	85,638
Less: Allowance for inventories	(7,078)	(5,949)
	197,051	79,689

14. TRADE AND OTHER RECEIVABLES

	30.6.2026 *HK$'000* (unaudited)	31.12.2025 *HK$'000* (audited)
Trade receivables, gross	158,562	129,983
Less: Allowance for credit losses	(31,165)	(17,734)
Trade receivables, net	127,397	112,249
Deposits and prepayments	11,186	7,268
Total	138,583	119,517

As at 30 June 2026 and 31 December 2025, trade receivables from contracts with customers amounted to HK$127,397,000 and HK$112,249,000 respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

14. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows credit period ranging from 30 to 180 days to its trade customers. The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date at the end of the reporting period:

	30.6.2026	31.12.2025
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0-30 days	**41,911**	51,623
31-60 days	**50,990**	13,749
61-90 days	**3,870**	1,636
91-180 days	**15,642**	32,277
Over 180 days	**14,984**	12,964
	127,397	112,249

The ageing analysis of trade receivables, net of loss allowance for credit losses, as of the end of reporting period, based on past due dates, is as follows:

	30.6.2026	31.12.2025
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Neither past due nor impaired	**93,924**	66,162
Past due:		
1-30 days	**3,107**	8,084
31-60 days	**11,522**	11,481
61-90 days	**3,591**	11,202
91-180 days	**370**	8,964
Over 180 days	**14,883**	6,356
	127,397	112,249

The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its accounts receivable balances and the balance are non-interest-bearing.

15. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

The pledged bank deposits of the Group are pledged to banks for securing bank borrowings (Note 18). The bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less.

16. TRADE AND OTHER PAYABLES

The ageing analysis of trade payables based on the invoice date at the end of the reporting period.

	30.6.2026 ***HK$'000*** **(unaudited)**	31.12.2025 *HK$'000* (audited)
Trade payables:		
1–30 days	**93,713**	35,914
31–60 days	**18,609**	9,642
61–90 days	**2,253**	387
91–180 days	**230**	321
	114,805	46,264
Other payables	**4,475**	6,460
Accrued expenses	**33,370**	41,545
	152,650	94,269

The credit period on purchases of goods is 0 to 90 days.

17. CONTRACT LIABILITIES

The amount represented the trade deposits received from customers, which will be recognised as the Group's revenue when the control of the goods transferred to customers.

18. BANK BORROWINGS

During the current interim period, the Group obtained new bank loans amounting to HK$24,289,000 (31 December 2025: HK$1,862,000). The bank loans carry interest at variable market rates of 4.67% to 8.57% per annum. The proceeds were used to finance the daily operation of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2026

19. SHARE CAPITAL

The Company

	Number of shares	Share capital *HK$'000*
Ordinary shares of HK$0.01 each		
Authorised		
At 31 December 2025 and 30 June 2026	5,000,000,000	50,000
Issued and fully paid		
At 31 December 2025 and 30 June 2026	918,500,000	9,185

20. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management personal are those persons holding positions with authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including the Directors.

Key management personnel remuneration was as follow:

	Six months ended	
	30.06.2026 ***HK$'000*** **(unaudited)**	30.06.2025 *HK$'000* (unaudited)
Salaries, allowance and bonus	**17,173**	25,932
Retirement benefits scheme contributions	**27**	27
	17,200	25,959

21. FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used) as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

	Fair value as at				
	30 June 2026 ***HK$'000*** **(unaudited)**	31 December 2025 *HK$'000* (audited)	**Fair value hierarchy**	**Valuation technique and key inputs**	**Significant unobservable inputs and relationship of unobservable inputs to fair value**
Debt instruments at FVTOCI	**899**	910	Level 3	Based on the reference prices of respective unlisted bonds provided by financial institution which is determined by using discounted cash flow with discount rate reflecting the credit risk of the issuers.	A slight increase in discount rate used would result in significant decrease in fair value measurement to the unlisted bonds investments and vice versa.
Financial asset at FVTPL	**3,381**	3,294	Level 3	Based on the cash surrender value in accordance with the keyman insurance contract which is not an observable input.	Higher the cash surrender value, higher the fair value of the keyman insurance contract.

Note: There were no transfers between level 1, level 2 and level 3 during the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a leading manufacturer and distributor of high-quality candle products, including scented, decorative, and daily-use candles, alongside home fragrance products like diffusers. The Group's headquarter is located in Hong Kong, with core manufacturing operations primarily situated in Vietnam.

Our primary market focus remains on mid-to-high-end segments in the U.S. and U.K., serving major department store operators and professional buying agents. The Group mainly manufactures candle products based on the requirements and specifications from its customers. The Group also provides comprehensive value-added services, including product design, material procurement, sampling before mass production, laboratory testing, and quality enhancement recommendations based on specific customer requirements.

The Group continued to achieve robust market performance, driven by a sustained consumer preference for scented and colored candle products. Scented candles remain our top-selling product category, reflecting a consistent lifestyle trend in the U.S. and U.K. markets for home fragrance products. Benefiting from high market demand, customer order volumes still maintained among high level for the Group during the reporting period.

The analysis of product segment of the Group for the six months ended 30 June 2026 is set out in Note 3 to the condensed consolidated financial statements.

The Group aims to be the competitive manufacturer among the industry, which requires the fostering of various abilities. The Group has overcome numerous challenges that prompted us to further strengthen the organisational capacity to counter the challenges posed by the uncertainty of the external environment.

The Group is closely monitoring the evolving international trade landscape, particularly regarding U.S. trade policies, including the potential for increased import tariffs and various taxation measures. At present, the operating pressures faced by candle product export enterprises mainly stem from the absence of finalised U.S. tariff policies, uncertainties in global trade dynamics, and relatively weak market demand. The uncertainties in U.S. tariff policies affected demand of daily consumption in the U.S. market, however, the impact is remained relatively low to the Group. To mitigate the impact of frequent policy shifts and rising entry costs, the Group has implemented strategic initiatives to maintain its competitive edge in the U.S. market.

Our production capacity was further bolstered by the high level of automation in our two newest factories established in 2022 and 2024. The renovation of our primary facility has been completed in 2025, further optimising operational efficiency.

To support continued sales growth in the U.S. market, the Group has engaged specialised sales representatives under incentive-based contracts to capture new business opportunities.

In response to the high-interest rate environment, the Group successfully improved its liquidity position by reducing external borrowings.

Leveraging our well-established long-term customer relationships and an experienced management team, the Group remains confident in its ability to navigate external uncertainties and capture long-term growth opportunities through its diversified production strategy.

FINANCIAL REVIEW

Revenue

Revenue for the six months ended 30 June 2026 amounted to approximately HK$341.9 million, representing a decrease of approximately HK$27.9 million or 7.5% as compared with that of approximately HK$369.8 million for the same period in 2025.

The decrease in revenue was due to the decrease in sales of daily-use candles, scented candles and decorative candles of approximately HK$4.6 million, HK$16.7 million and HK$11.9 million respectively for the six months ended 30 June 2026 and offset by the increase in sale of other candle products (including diffusers) of approximately HK$5.2 million.

Gross profit and gross profit margin

Gross profit for the six months ended 30 June 2026 amounted to approximately HK$97.6 million, representing a decrease of approximately HK$16.1 million or 14.1% as compared with that of approximately HK$113.7 million for the same period in 2025.

The gross profit margin decrease to approximately 28.6% for the six months ended 30 June 2026 as compared with that of 30.7% for the same period in 2025. The decrease in the gross profit margin was mainly due to the decrease in the average selling price of candle products for the six months ended 30 June 2026.

Other income

Other income for the six months ended 30 June 2026 was approximately HK$3.8 million, representing a decrease of approximately HK$3.3 million or 46.5% as compared to that of approximately HK$7.1 million for the same period in 2025. The decrease in other income mainly due to the decrease in bank interest income, sale of scrap of materials and sundry income of approximately HK$1.6 million, HK$0.6 million and HK$0.8 million respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Other gains and losses, net

Other losses for the six months ended 30 June 2026 amounted to approximately HK$12.6 million, representing a decrease of approximately HK$16.6 million or 415.0% as compared with other gains of approximately HK$4.0 million for the same period in 2025. The decrease was mainly due to the decrease in exchange gain of approximately HK$1.5 million and the increase in provision of impairment loss on trade receivables of approximately HK$14.9 million for the six months ended 30 June 2026.

Selling and distribution expenses

Selling and distribution expenses for the six months ended 30 June 2026 amounted to approximately HK$16.5 million, representing a decrease of approximately HK$0.2 million or 1.2% as compared with that of approximately HK$16.7 million for the same period in 2025.

The decrease was mainly due to the decrease in marketing and promotion expenses for approximately HK$1.6 million and net off by the increase in transportation and declaration, and compensation expense of approximately HK$0.7 million and HK$0.6 million respectively.

Administrative expenses

Administrative expenses for the six months ended 30 June 2026 amounted to approximately HK$42.3 million, representing a decrease of approximately HK$6.3 million or 13.0% as compared with that of approximately HK$48.6 million for the same period in 2025. The decrease in administrative expenses was mainly due to the decrease in salary and allowance of approximately HK$9.2 million; and net off by (i) the increase in legal and professional fee of approximately HK$1.1 million; and (ii) the increase in travelling expenses of approximately HK$1.1 million for the six months ended 30 June 2026.

Finance costs

Finance costs for the six months ended 30 June 2026 amounted to approximately HK$3.3 million, representing a decrease of approximately HK$1.1 million or 25.0% as compared to that of approximately HK$4.4 million for the same period in 2025.

The decrease was mainly due to lower average bank borrowings for business operation for the six months ended 30 June 2026.

Profit for the period

The Group incurred net profit of approximately HK$19.6 million for the six months ended 30 June 2026, representing a decrease of approximately HK$25.6 million or 56.6% as compared with net profit of approximately HK$45.2 million for the same period in 2025.

Such changes were the combined effect of the decrease in gross profit of approximately HK$16.1 million; the decrease in other gains of approximately HK$16.6 million; and net off by the decrease in administrative expenses of approximately HK$6.3 million; and the decrease in finance costs of approximately HK$1.1 million.

Liquidity and Financial Resources

As at 30 June 2026, the Group had total assets of approximately HK$963.1 million (31 December 2025: approximately HK$861.1 million), which is financed by total liabilities of approximately HK$195.0 million (31 December 2025: approximately HK$112.7 million) and shareholders' equity (comprising share capital and reserves) of approximately HK$768.0 million (31 December 2025: approximately HK$748.5 million).

The total interest-bearing borrowings of the Group as at 30 June 2026 were approximately HK$30.9 million (31 December 2025: approximately HK$8.3 million), and current ratio as at 30 June 2026 was approximately 3.7 times (31 December 2025: approximately 5.6 times) which remains stable.

The Group's gearing ratio, which is calculated by dividing total debt by total equity as at the end of each of the reporting period, arised from approximately 1.6% as at 31 December 2025 to approximately 4.7% as at 30 June 2026, primarily due to the increase in bank borrowings.

As at 30 June 2026 and 31 December 2025, the Group had unutilised banking facilities of approximately HK$89.9 million and HK$112.4 million respectively.

The Directors are of the view that as at the date of this report, the Group's financial resources are sufficient to support its business and operations.

Treasury Policy

The Group adopts a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position throughout the reporting period. The management of the Group regularly reviews the recoverable amount of trade receivables by performing ongoing credit assessments and monitoring prompt recovery and if necessary to make adequate impairment losses for irrecoverable amounts. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally deposited with leading licensed banks in Hong Kong and denominated in Hong Kong dollars.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Capital Structure

The Shares were successfully listed on GEM on 19 July 2018. During the reporting period, there has no material change in the capital structure of the Group.

As at 30 June 2026, the Company's issued share capital was HK$9,185,000 (31 December 2025: HK$9,185,000) and the number of its issued ordinary shares was 918,500,000 (2025: 918,500,000) of HK$0.01 each.

Future Plans for Material Investments and Capital Assets

The Group did not have any plans for material investments or capital assets as of 30 June 2026.

Pledge of Assets

As at 30 June 2026 and 31 December 2025, the Group had corporate guarantee and pledged certain assets including property, plant and equipment, right-of-use assets, debt instruments of fair value through other comprehensive income, pledged bank deposits with carrying amounts of approximately HK$58.3 million and HK$55.0 million respectively to secure the Group's bank loans.

Foreign Currency Exposure

The majority transactions of expenditure and bank borrowings of the Group are denominated in foreign currencies which are different from the functional currency of the Group, i.e. US dollar. The Group is mainly exposed to foreign exchange risk arising from transactions that are denominated in Hong Kong dollar and Vietnamese dong. During the six months ended 30 June 2026, the Group did not have any hedging arrangements. The Group currently does not have a foreign currency hedging policy. However, the management of the Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should the need arises. The management of the Group considers the exposure to the foreign exchange risk fluctuation for the Group is not material.

Capital Commitments

As at 30 June 2026, the Group had capital commitments of approximately HK$0.3 million in respect of property, plant and equipment (30 June 2025: approximately HK$1.9 million).

Contingent Liabilities

As at 30 June 2026, the Group did not have any contingent liabilities (30 June 2025: Nil).

Employees and Remuneration Policies

As at 30 June 2026, the Group employed approximately 1,200 (30 June 2025: approximately 1,640) staff (including executive Directors). The total amount of employee remuneration of the Group (including Directors' remuneration) for the six months ended 30 June 2026 was approximately HK$51.6 million (30 June 2025: approximately HK$63.7 million).

The Company adopted the share option scheme on 7 June 2024 (the "**Share Option Scheme**") for the purpose to provide the Company with a flexible means of giving incentive and reward to employee of the Group for incentive or reward for their contribution to the Group. The Group determines the employees' remuneration based on factors such as qualification, duty, contributions and years of experience. In addition, the Group provides comprehensive training programs to its employees or sponsors the employees to attend various job-related training courses.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries and Capital Assets

Other than disclosed as elsewhere in this report, the Group did not have any significant investments, material acquisitions and disposals of subsidiaries and capital assets during the six months ended 30 June 2026.

EVENT AFTER THE END OF REPORTING PERIOD

Save as disclosed in section headed "Significant Investments, Material Acquisitions and Disposals of Subsidiaries and Capital Assets" above, there are no significant events affecting the Group after the reporting period and up to date of this report.

INTERIM DIVIDEND

The Board did not declare the payment of an interim dividend for the six months ended 30 June 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") held by the Directors and chief executives of the Company (the "**Chief Executives**") which have been 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 which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules are as follows:

Long position in ordinary Shares

Name of Directors	Nature of interests	Numbers of Shares held	Approximate % of the total number of Shares in issue
Mr. Wong Wai Chit *(Notes 1 & 2)*	Interest in controlled corporation	643,500,000	70.1%
Mr. Wong Man Chit *(Notes 1 & 3)*	Interest in controlled corporation	643,500,000	70.1%

Notes:

1. These 643,500,000 Shares are held by AVW International Limited ("**AVW**"), which is beneficially owned as to 50% by Mr. Wong Wai Chit and 50% by Mr. Wong Man Chit. Each of Mr. Wong Wai Chit and Mr. Wong Man Chit is deemed to be interested in the same number of Shares in which AVW is interested under the SFO.

2. Ms. Iong Man Lai is the spouse of Mr. Wong Wai Chit. Ms. Iong Man Lai is deemed to be interested in the same number of Shares in which Mr. Wong Wai Chit is interested by virtue of the SFO.

3. Ms. Tse Sheung is the spouse of Mr. Wong Man Chit. Ms. Tse Sheung is deemed to be interested in the same number of Shares in which Mr. Wong Man Chit is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2026, none of the Directors or Chief Executives had any interests or short positions in the Shares, underlying Shares 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 and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraphs headed “DIRECTORS’ AND CHIEF EXECUTIVES’ INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURE” and “SHARE OPTION SCHEME” in this report, at no time during the six months ended 30 June 2026 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

DIRECTORS’ INTERESTS IN CONTRACTS

None of the Directors nor their respective close associates had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the six months ended 30 June 2026.

SUBSTANTIAL SHAREHOLDERS’ INTEREST IN SHARES AND UNDERLYING SHARES

So far as the Directors and the Chief Executives are aware, as at 30 June 2026, other than the Directors and the Chief Executives, the following persons will have or be deemed or taken to have an interest and/or short position in the Shares or the 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 which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or who will be, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED)

Long position in ordinary Shares

Name of shareholders	Nature of interests	Number of Shares held	Approximate % of the total number of Shares in issue
AVW *(Note 1)*	Beneficial owner	643,500,000	70.1%
Ms. Iong Man Lai *(Notes 1 & 2)*	Interest of spouse	643,500,000	70.1%
Ms. Tse Sheung *(Notes 1 & 3)*	Interest of spouse	643,500,000	70.1%

Notes:

1. AVW is beneficially owned as to 50% by Mr. Wong Wai Chit and 50% by Mr. Wong Man Chit, executive directors of the Company. Each of Mr. Wong Wai Chit and Mr. Wong Man Chit is deemed to be interested in the same number of Shares in which AVW is interested under the SFO.

2. Ms. Iong Man Lai is the spouse of Mr. Wong Wai Chit. Ms. Iong Man Lai is deemed to be interested in the same number of Shares in which Mr. Wong Wai Chit is interested by virtue of the SFO.

3. Ms. Tse Sheung is the spouse of Mr. Wong Man Chit. Ms. Tse Sheung is deemed to be interested in the same number of Shares in which Mr. Wong Man Chit is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2026, according to the register of interests required to be kept by the Company under section 336 of the SFO, there was no person or corporation (other than the Directors and the Chief Executives) who had any interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO.

SHARE OPTION SCHEME

The Company adopted the Share Option Scheme on 7 June 2024 (the “**Adoption Date**”) for the purpose of providing employee participants, related entity participants and service providers (excluding the independent non-executive Directors) (the “**Eligible Participants**”) with the opportunity to acquire proprietary interests in the Company and to encourage Eligible Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and its shareholders (the “**Shareholders**”) as a whole, as well as to motivate Eligible Participants to contribute to the success of the Group’s operations. The Share Option Scheme provides the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Eligible Participants.

Under the Share Option Scheme, the Board may make an offer to the Eligible Participants. The total number of Shares which may be issued upon exercise of all options and awards which may be granted under the Share Option Scheme and any other share scheme(s) of the Company must not in aggregate exceed 10% of the total number of Shares in issue (excluding treasury shares) as at the date of approval by the Shareholders on 7 June 2024 (the "**Scheme Mandate Limit**"). Subject to the above, within the Scheme Mandate Limit, the total number of Shares which may be allotted and issued upon exercise of all options and awards to be granted under the Share Option Scheme and any other share schemes to the service providers must not in aggregate exceed 10% of the Scheme Mandate Limit (the "**Service Provider Sublimit**"). The Company may refresh the Scheme Mandate Limit (and the Service Provider Sublimit) at any time by obtaining approval of the Shareholders in general meeting after three (3) years from the Adoption Date or the date of the Shareholders' approval for the last refreshment.

Unless approved by the Shareholders at the general meeting, the total number of Shares issued and to be issued upon exercise of the options and awards granted and to be granted pursuant to the Share Option Scheme and any other share schemes of the Group to each Eligible Participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant of the options and awards must not exceed 1% of the Shares in issue (excluding treasury shares).

The maximum number of Shares which may be issued upon exercise of all options and awards to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 91,850,000, representing 10% of the total number of Shares in issue (excluding treasury shares) on the Adoption Date and the date of this report unless the Company seeks the approval of the Shareholders in general meeting for refreshing the 10% limit under the Share Option Scheme provided that options and awards lapsed in accordance with the terms of the Share Option Scheme or any other share schemes of the Group will not be counted for the purpose of calculating 10% limit. As at 1 January 2026, 30 June 2026 and the date of this report, (i) the maximum number of Shares which may be issued upon exercise of all options and awards to be granted under the Scheme Mandate Limit must not exceed 91,850,000, representing 10% of the total number of Shares in issue (excluding treasury shares) on the Adoption Date; and (ii) to be granted under the Service Provider Sublimit must not exceed 9,185,000, representing 10% of the Scheme Mandate Limit on the Adoption Date.

CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED)

Details of the principle terms of the Share Option Scheme are set out in the Appendix II of the circular of the Company dated 29 April 2024. The principle terms of the Share Option Scheme are summarised as below.

The Share Option Scheme remain in force for a period of ten (10) years commencing from 7 June 2024 and remains in force until 6 June 2034. As at the date of this report, the remaining life of the Share Option Scheme is approximately 7 years and 10 months. The Company may, by ordinary resolution in general meeting or, such date as the Board determined, terminate the Share Option Scheme at any time without prejudice to the exercise of options and awards granted prior to such termination.

The exercise price per Share in respect of any option granted shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

1. the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant;

2. the average closing price of the Share as stated in the daily quotations sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of grant; and

3. the nominal value of a Share on the date of grant.

Upon acceptance of the options, the Eligible Participant shall pay HK$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within the date as specified in the offer letter (which shall not be later than 21 days from, and inclusive of, the date of offer) issued by the Company. The exercise period of any option granted under the Share Option Scheme shall not be longer than 10 years commencing on the date of grant and expiring on the last day of such 10-year period subject to the provisions for early termination as contained in the Share Option Scheme. The vesting period of options granted under the Share Option Scheme shall not be less than 12 months and the options granted to employee participants may be subject to a shorter vesting period under any one of the circumstances under the rules of the Share Option Scheme and as deemed appropriate at the sole discretion of the Board or the remuneration committee of the Company. No option and award were granted, exercised, vested, cancelled and lapsed under the Share Option Scheme since the Adoption Date, and up to 30 June 2026 and thereafter up to the date of this interim report. Accordingly, the number of options and awards available for grant under the Scheme Mandate Limit of the Share Option Scheme as at 1 January 2026 and 30 June 2026 were 91,850,000 and 91,850,000 respectively. The number of options and awards available for grant under the Service Provider Sublimit of the Share Option Scheme as at 1 January 2026 and 30 June 2026 were 9,185,000 and 9,185,000 respectively. The number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the reporting period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the reporting period was nil.

COMPETING INTERESTS

For the six months ended 30 June 2026, none of the Directors, the substantial Shareholders or controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings (the "**Required Standard of Dealings**") set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. Having made specific enquiries of all the Directors, each of them have confirmed that they have complied with the Required Standard of Dealings for the six months ended 30 June 2026. No incident of non-compliance was noted by the Company for the six months ended 30 June 2026.

PURCHASE, SALE OR REDEMPTION OF SHARES

As at 30 June 2026, there is no treasury shares held by the Company.

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the reporting period and up to the date of this report.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to achieve high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code in Appendix C1 to the GEM Listing Rules (the "**CG Code**"). During the six months ended 30 June 2026, to the best knowledge of the Board, the Company had complied with the code provisions in the CG Code.

DISCLOSURE OF INFORMATION OF DIRECTORS UNDER RULE 17.50A(1) OF THE GEM LISTING RULES

The change in information of Director is set out below pursuant to Rule 17.50A of the GEM Listing Rules:

Mr. Chan Cheong Tat has resigned as an independent non-executive director of Accel Group Holdings Limited (stock code: 1283), a company listed on the Main Board of the Stock Exchange, with effect from 1 April 2026.

Save as disclosed above, there has been no change of information of each Director that is required to be disclosed under Rule 17.50A(1) of the GEM Listing Rules since the publication of the annual report of the Company for the year ended 31 December 2025.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has been established with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules and code provision D.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors and is chaired by Mr. Chan Cheong Tat. The other members are Mr. Chu Kin Wang, Peleus and Mr. Ho Chi Wai. The primary duties of the Audit Committee are to review and supervise the Company's financial reporting process, the internal control systems of the Group and the monitoring of continuing connected transactions. All members of the Audit Committee are appointed by the Board.

The Audit Committee had reviewed the unaudited consolidated results of the Group for the six months ended 30 June 2026 and is of the opinion that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

REVIEW OF THIS REPORT

This report for the six months ended 30 June 2026 has not been audited, but has been reviewed by the Audit Committee.

As at the date of this report, the Directors are:

EXECUTIVE DIRECTORS

Mr. Wong Wai Chit *(Chairman)*
Mr. Wong Man Chit *(Chief Executive Officer)*
Ms. Wong Wan Yan

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Cheong Tat
Mr. Ho Chi Wai
Mr. Chu Kin Wang, Peleus

Hong Kong, 14 August 2026