JIMU GROUP LIMITED
積 木 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8187)

2022 INTERIM REPORT

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*This report, for which the directors (the "**Directors**") of Jimu Group 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. 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.*

RESULTS

The board (the "**Board**") of directors ("**Directors**") of Jimu Group Limited (the "**Company**") presents the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026, together with the comparative unaudited figures of the corresponding period in 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		(Unaudited)	
		Six months ended 30 June	
	NOTES	**2026** **HK$'000**	2025 HK$'000
Revenue	4	**14,793**	14,358
Cost of inventories sold		**(13,245)**	(8,852)
Other income		**1**	12
Other gains and losses		**(124)**	93
Impairment losses under expected credit loss model		**–**	(2,175)
Employee benefits expenses		**(3,896)**	(3,327)
Other operating expenses		**(3,936)**	(3,943)
Finance costs		**(68)**	(98)
Loss before taxation		**(6,475)**	(3,932)
Income tax expenses	6	**–**	–
Loss and total comprehensive expenses for the period		**(6,475)**	(3,932)
Loss per share			
Basic and diluted (HK$)	9	**(0.043)**	(0.026)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	NOTES	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Non-current assets			
Plant and equipment	10	**334**	852
Right-of-use assets	10	**538**	980
Rental deposits	12	**273**	273
		1,145	2,105
Current assets			
Inventories	11	**10,908**	10,155
Other receivables, prepayment and deposits	12	**760**	689
Bank balances and cash		**1,820**	2,194
		13,488	13,038
Current liabilities			
Trade payables	13	**1,965**	659
Other payables and accruals	14	**5,288**	3,135
Interest-bearing borrowings	15	**3,000**	–
Lease liabilities		**639**	1,014
Contract liabilities		**1**	1
		10,893	4,809
Net current assets		**2,595**	8,229
Total assets less current liabilities		**3,740**	10,334
Non-current liabilities			
Lease liabilities		**–**	119
		–	119
Net assets		**3,740**	10,215
Capital and reserves			
Share capital	16	**30,337**	30,337
Reserves and accumulated losses		**(26,597)**	(20,122)
Total equity		**3,740**	10,215

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Share capital HK$'000	Share premium HK$'000	Translation reserve HK$'000	Share option reserve HK$'000	Capital reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 January 2026 (Audited)	**30,337**	**66,893**	**–**	**204**	**4,950**	**(92,169)**	**10,215**
Loss and total comprehensive expenses for the period	**–**	**–**	**–**	**–**	**–**	**(6,475)**	**(6,475)**
At 30 June 2026 (Unaudited)	**30,337**	**66,893**	**–**	**204**	**4,950**	**(98,644)**	**3,740**
At 1 January 2025 (Audited)	30,337	66,893	94	204	4,950	(86,326)	16,152
Loss and total comprehensive expenses for the period	–	–	–	–	–	(3,932)	(3,932)
At 30 June 2025 (Unaudited)	30,337	66,893	94	204	4,950	(90,258)	12,220

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Net cash (used in)/generated from operating activities	**(3,033)**	6,864
Investing activities		
Interest received	**1**	1
Purchase of property, plant and equipment	**–**	(401)
Proceeds from disposal of property, plant and equipment	**220**	–
Net cash generated from/(used in) investing activities	**221**	(400)
Financing activities		
Repayment of lease liabilities	**(537)**	(623)
New interest-bearing borrowings raised	**3,000**	–
Interest paid	**(25)**	(98)
Net cash generated from/(used in) financing activities	**2,438**	(721)
Net (decrease)/increase in cash and cash equivalents	**(374)**	5,743
Cash and cash equivalents at beginning of the period	**2,194**	5,039
Cash and cash equivalents at end of the period, represented by bank balances and cash	**1,820**	10,782

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1. GENERAL INFORMATION

Jimu Group Limited (the "**Company**") is a public listed company incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company was at Suite 3902, 39/F, Central Plaza, 18 Harbour Road, Hong Kong at the date of the report.

The Company is an investment holding company. The Group is principally engaged in the trading of footwear, apparel and sports-related peripheral products businesses.

The condensed consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants and Chapter 18 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

The unaudited condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim unaudited condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following revised HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKAS 21	*Lack of Exchangeability*
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*
Annual Improvements to HKFRS Accounting Standards – Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*

The adoption of the new/amendments to HKFRS Accounting Standards that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

The Group has not early adopted the new/amendments to HKFRS Accounting Standards that have been issued but are not yet effective. The Directors do not anticipate that the adoption of the new/amendments to HKFRS Accounting Standards in future periods will have any material impact on the Group's condensed consolidated financial statements.

4. REVENUE

An analysis of the Group's revenue from sales of goods from contracts with customers for the period from continuing operations is as follows:

	(Unaudited) Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Trading of footwear, apparel and sport-related peripheral products	**14,793**	14,358
Timing of revenue recognition		
At a point in time	**14,793**	14,358

5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the Chief Operating Decision Maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's operating and reportable segment under HKFRS 8 Operating Segments are as follows:

Since there is the only reportable and operating segment of the Group, no further analysis thereof is presented. All the revenue of the Group are generated from operation and management of footwear, apparel and sport-related peripheral products businesses for the six months ended 30 June 2026 and 2025.

Geographical information

The Group's operations are located in Hong Kong.

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of revenue is based on the location of external customers.

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Continuing operation		
Hong Kong	**14,793**	14,358

5. SEGMENT INFORMATION – continued

Information about the Group's non-current assets is presented based on geographical location of the assets.

Non-current assets

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Hong Kong	**872**	1,832

Non-current assets excluded rental deposits.

6. INCOME TAX EXPENSES

	(Unaudited) Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Continuing operation		
Hong Kong – current tax	**–**	–

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made in the unaudited condensed consolidated financial statements as the Group had no assessable profit for the six months periods ended 30 June 2026 and 2025.

7. LOSS FOR THE PERIOD

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Loss for the period has been arrived at after charging:		
Cost of inventories sold	**13,245**	8,852
Directors' remuneration	**544**	416
Other staff costs (excluding directors' remuneration)		
– Salaries, allowances and benefits in kind	**3,224**	2,806
– Retirement benefit scheme contributions	**128**	105
Total staff costs	**3,896**	3,327
Depreciation of plant and equipment	**176**	197
Depreciation of right-of-use assets	**442**	643
Total depreciation	**618**	840
Expenses relating to short-term leases	**952**	730

8. DIVIDENDS

No dividends were paid, declared or proposed during the current and prior interim periods. The Directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2026 (2025: HK$Nil).

9. LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Loss:		
Loss for the purpose of basic loss per share	**(6,475)**	(3,932)

	(Unaudited) Six months ended 30 June	
	2026	2025
	'000	'000
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**151,684**	151,684

Basic and diluted loss per share for the six months ended 30 June 2026 and six months ended 30 June 2025 were the same because exercise of share options would decrease the loss per share for the six months ended 30 June 2026 and six months ended 30 June 2025 and, therefore, be anti-dilutive.

The computation of diluted loss per share for the six months ended 30 June 2026 and six months ended 30 June 2025 did not assume the exercise of the Company's outstanding share options since the exercise price of the share options exceeds the average market price.

10. MOVEMENT OF PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, there is no acquisition of plant and equipment (31 December 2025: HK$446,000) and the depreciation expenses was approximately HK$176,000 (30 June 2025: HK$197,000).

During the six months ended 30 June 2026, the Group disposed a motor vehicle with a carrying amount of approximately HK$342,000 for cash proceeds of HK$220,000, resulting a loss of disposal of approximately HK$122,000.

During the six months ended 30 June 2026, there is no addition of the right-of-use assets (31 December 2025: HK$609,000) and the depreciation expenses was approximately HK$442,000 (30 June 2025: HK$643,000).

11. INVENTORIES

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Merchandise of footwear, apparel and sports-related peripheral products for resale	**10,908**	10,155

12. OTHER RECEIVABLES, PREPAYMENT AND DEPOSITS

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Other receivables, net of allowances	**120**	120
Prepayment	**199**	128
Rental deposits	**576**	642
Other deposits	**138**	72
	1,033	962
Less: Rental deposits shown under non-current assets	**(273)**	(273)
	760	689

13. TRADE PAYABLES

The credit period on purchase of goods varies from 0 to 60 days (2025: 0 to 60 days). The following is an ageing analysis of the trade payables presented based on the invoice date:

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
0 to 30 days	**1,368**	22
31 to 60 days	**–**	637
61 to 90 days	**–**	–
Over 90 days	**597**	–
	1,965	659

14. OTHER PAYABLES AND ACCRUALS

	(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
Accrued staff salaries	713	390
Accrued expenses	3,505	1,607
Other payables	1,070	1,138
	5,288	3,135

15. INTEREST-BEARING BORROWINGS

During the six months ended 30 June 2026, two loans total amount of approximately HK$3,000,000 were obtained from independent third parties. The loans are unsecured, bearing interest at 10% and 12% per annum respectively and repayable after a year from the date of drawdown.

16. SHARE CAPITAL

	Number of shares				Share capital	
	30 June 2026		31 December 2025		(Unaudited) 30 June 2026 HK$'000	(Audited) 31 December 2025 HK$'000
	Nominal Values HK$	(Unaudited)	Nominal Values HK$	(Audited)		
Authorised ordinary shares At the beginning and end of the period/year	0.2	500,000,000	0.2	500,000,000	0.2	100,000
Issued and fully paid shares At the beginning and end of the period/year	0.2	151,683,840	0.2	151,683,840	0.2	30,337

17. SHARE OPTION SCHEMES

The Company adopted a share option scheme (the "**Share Option Scheme**"). The Share Option Scheme enables the Company to grant options (the "**Options**") to eligible persons, which mean among others, any full-time or part-time employee of the Company or any member of the Group, including any executive, non-executive directors and independent non-executive directors, advisors, consultants of our Company or any of the subsidiaries ("**Eligible Person**") as incentives or rewards for their contributions to our Group. The Share Option Scheme was valid and remained in force for a period of ten years from 30 May 2016. The Share Option Scheme expired on 30 May 2026. No further Options can be granted under the Share Option Scheme. However, the Options granted during the life of the Share Option Scheme and prior to its expiration shall continue to be exercisable in accordance with their terms of issue.

The following share options were outstanding under the Share Option Scheme during the period/year:

	30 June 2026		31 December 2025	
	Weighted average exercise price HK$ per share	**Number of options**	Weighted average exercise price HK$ per share	Number of options
At the beginning and end of the period/year	**0.37**	**807,886**	0.37	807,886
Exercisable at the end of the period/year	**0.37**	**807,886**	0.37	807,886

17. SHARE OPTION SCHEMES – continued

Notes:

a. On 6 January 2023, 14,400,000 share options were granted to certain eligible participants to subscribe for shares of HK$0.021 per share of the Company under the Share Option Scheme. Please refer to the Company's announcement dated 6 January 2023 for further details. The fair value of the options granted is estimated at the date of grant on 6 January 2023 using Binomial Option Pricing Model taking into account the terms and conditions upon which the options were granted. The fair values of options granted were estimated on the date of grant using the following assumptions:

	Share Option granted
Date of grant	6 January 2023
Fair value at measurement date	HK$0.014
Share price at the date of grant	HK$0.021
Exercise price at the date of grant	HK$0.021
Expected volatility	133.5%
Option life	10 years
Expected dividends	0.00%
Risk-free interest rate	3.7%

The expected volatility is based on the historical volatility, adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends.

The total fair value of the share options granted was HK$204,000 at the date of grant on 6 January 2023.

Subsequent to the Company's share consolidation implemented on 21 March 2023 and there are 720,000 outstanding share options granted under the Share Option Scheme entitling the holders thereof to subscribe for 720,000 shares of the Company at the exercise price of HK$0.42 per share and the validating period is from 6 January 2023 to 5 January 2033.

b. Prior to the completion of the Rights Issue, the Company had 720,000 outstanding Share Options (the "**Outstanding Options**") granted by the Company exercisable into 720,000 Shares, at the exercise price of HK$0.42 per Share under the Share Option Scheme. As a result of the Rights Issue, the Company has calculated the necessary adjustments (the "**Share Options Adjustments**") to the exercise price and the number of Shares falling to be issued upon exercise of the outstanding share options in accordance with the terms and conditions of the Share Option Scheme, the GEM Listing Rules and the supplementary guidance on GEM Listing Rules and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange.

17. SHARE OPTION SCHEMES – continued

Notes: – continued

b. – continued

The Share Options Adjustments as a result of the Rights Issue with effect from 31 August 2023, being the date on which the fully-paid Rights Shares are allotted and issued, are set out below:

	Immediately before the completion of the Rights Issue		Immediately after the completion of the Rights Issue	
Date of Grant	**Number of Shares to be issued upon exercise of the Outstanding Options**	**Exercise price**	**Adjusted number of Shares to be issued upon exercise of the Outstanding Options**	**Adjusted exercise price**
		HK$ per Share		HK$ per Share
6 January 2023	720,000	0.42	807,886*	0.37

* The number of outstanding options has been scaled down 1 Share due to no decimal places of Shares being issued.

Save for the above adjustments, all other terms and conditions of the Outstanding Options remain unchanged.

c. During the six months ended 30 June 2026 and 2025, no share option was cancelled or exercised.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The Directors consider that the carrying amounts of these financial assets and financial liabilities recorded at amortised cost in the unaudited condensed consolidated financial statements approximate their fair values.

19. RELATED PARTY DISCLOSURES

Compensation of the Directors and key management personnel

The key management of the Group comprises all executive directors of the Company, details of their emoluments are disclosed in Note 7. The emoluments of the executive directors of the Company are decided by the remuneration committee of the Company having regard to individual's performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

The Group is principally engaged in the trading of footwear, apparel and sports-related peripheral products. During the Reporting Period, the Group continued to conduct its business primarily in Hong Kong through its physical retail stores and wholesale arrangements. The Group's product portfolio included footwear, imprintable apparel, jerseys and other sports-related peripheral products.

For the six months ended 30 June 2026, the Group recorded revenue of approximately HK$14.8 million, representing an increase of approximately 2.8% from approximately HK$14.4 million for the corresponding period in 2025. The increase was mainly attributable to the continued development of the Group's wholesale business, which partially offset challenging retail market conditions and changes in consumer spending patterns.

However, the Group's gross profit margin decreased significantly from approximately 38.4% for the six months ended 30 June 2025 to approximately 10.5% for the six months ended 30 June 2026. This decrease was primarily due to clearing certain side products through bulk wholesale transactions at reduced gross profit margins during the period. The clearance was undertaken to reduce inventories ahead of the anticipated increase in sales of sportswear products associated with the World Cup in June and July 2026. Accordingly, the lower-margin wholesale transactions materially diluted the Group's normal gross profit margin for its sportswear products. It is expected that the Group's gross profit margin will recover to its normal level during the second half of 2026.

During the Reporting Period, the Group continued to pursue wholesale opportunities and explore additional distribution channels to increase sales volume and broaden its market coverage. The Group remained mindful that wholesale transactions generally involve competitive pricing and may generate lower gross profit margins than certain retail sales. Accordingly, the Group continued to assess the overall profitability, cash flow contribution and commercial terms of each business opportunity before committing resources.

The sports and events market in Hong Kong continued to present potential business opportunities. Major sporting events and grassroots sports activities may support demand for sports apparel, footwear, team kits, event merchandise, supporter apparel and other related products. The Group will continue to monitor market developments and assess suitable procurement, merchandising and distribution opportunities.

Further, the 2026 FIFA World Cup, held from June to July 2026, also generated potential business opportunities during the second half of the financial year. Increased public interest in football and related sporting events supported demand for football footwear, jerseys, sports apparel, supporter merchandise, imprintable products and other sports-related peripheral products. The Group sought to benefit from increased customer traffic, event-related demand and orders from retail and wholesale customers.

In response to the potential increase in demand, the Group continued to monitor customer preferences, market trends and product availability and assessed the procurement of relevant football and sports-related products. The Group sought to maintain adequate product availability while adopting a prudent approach to inventory procurement. In particular, the Group took into account expected demand, procurement lead times, minimum order quantities, selling prices, expected gross profit margins and the risk of excess or slow-moving inventory.

Looking ahead, the Group's key priorities for 2026 and beyond include:

(i) expanding and strengthening its wholesale customer base;

(ii) enhancing its e-commerce and business-to-business sales channels;

(iii) improving its product and channel mix to enhance gross profit margins;

(iv) strengthening inventory planning and stock management;

(v) reducing slow-moving and aged inventory;

(vi) reviewing store performance and rationalising underperforming retail locations where appropriate; and

(vii) implementing disciplined cost-control measures while maintaining appropriate service levels and product quality.

The Group's performance remains subject to various factors, including consumer sentiment, retail market conditions, product demand, inventory turnover, supplier pricing, wholesale customer concentration and the Group's ability to secure business at commercially acceptable margins. In particular, the Group will continue to focus on improving gross profit margins and operating efficiency, as revenue growth alone may not necessarily result in an improvement in profitability.

The Board and management will continue to implement the Group's business strategy prudently, with an emphasis on channel diversification, margin enhancement, inventory control and operating cost management. The Group will also continue to assess new business opportunities arising from sporting events and other market developments, while maintaining appropriate financial discipline and carefully managing its liquidity position.

Financial Review

Revenue

The Group recorded revenue of approximately HK$14.8 million for the six months ended 30 June 2026 (the "**Reporting Period**"), an increase of approximately 2.8% compared with that of approximately HK$14.4 million for the six months ended 30 June 2025. Revenue for the six months ended 30 June 2026 was solely derived from the footwear, apparel and sports-related peripheral products businesses.

Footwear, apparel and sports-related peripheral products businesses

The Group recorded revenue from the footwear, apparel and sports-related peripheral products businesses of approximately HK$14.8 million for the six months ended 30 June 2026 (2025: approximately HK$14.4 million). The increase was mainly attributable to the continued development of the Group's wholesale business together with the retail business boosted up by the World Cup.

Cost of inventories sold

Cost of inventories sold of approximately HK$13.2 million incurred during the six months ended 30 June 2026 (2025: approximately HK$8.9 million). The increase was mainly due to the clearing certain side products through bulk wholesale transactions and the retail business boosted up by the World Cup during the period.

Employee benefits expenses

Employee benefits expenses remained at approximately HK$3.9 million for the six months ended 30 June 2026 and approximately HK$3.3 million for the six months ended 30 June 2025.

Other operating expenses

Other operating expenses remained at approximately HK$3.9 million for the six months ended 30 June 2026 and approximately HK$3.9 million for the six months ended 30 June 2025 respectively.

Finance costs

The finance costs decreased by 30.6% to approximately HK$68,000 for the six months ended 30 June 2026 from approximately HK$98,000 for the six months ended 30 June 2025.

Loss for the period

The footwear, apparel and sports-related peripheral products business was the only reportable and operating segment during the six months ended 30 June 2026.

For the six months ended 30 June 2026, the unaudited consolidated loss for the period increased to approximately HK$6.5 million (six months ended 30 June 2025: loss for the period approximately HK$3.9 million). The Group's loss for the six months ended 30 June 2026 was mainly attributable to lower profit margin obtained from the clearing certain side products through bulk wholesale transactions at reduced gross profit margins during the period. The clearance was undertaken to reduce inventories ahead of the anticipated increase stock in and sales of sportswear products associated in the World Cup in June and July 2026. Accordingly, the lower-margin wholesale transactions materially diluted the Group's normal gross profit margin for its sportswear products.

OTHER INFORMATION

Dividend

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

Liquidity, Financial and Capital Structure

As at 30 June 2026, the total borrowings of the Group amounted to approximately HK$3.6 million (31 December 2025: approximately HK$1.1 million) which comprised contract liabilities, lease liabilities and interest-bearing borrowings.

As at 30 June 2026, the gearing ratio of the Group was 24.7% (31 December 2025: 7.3%). Gearing ratio is calculated based on total borrowings divided by total assets at the end of the relevant period.

As at 30 June 2026, the Group's net current assets amounted to approximately HK$2.6 million (31 December 2025: net current assets amounted to approximately HK$8.2 million). The current ratio of the Group was approximately 1.2 times (31 December 2025: approximately 2.7 times). Current ratio is calculated based on total current assets divided by total current liabilities at the end of the relevant period.

The Group's operations are financed principally by revenue generated from its business operation, available bank balances and cash as well as interest-bearing borrowings. The Board will continue to follow a prudent treasury policy in managing its bank balances and cash and maintain a strong and healthy liquidity position to ensure that the Group is well positioned to achieve its business objectives and strategies.

Pledge of Assets

As at 30 June 2026, the Group had no asset pledged (31 December 2025: HK$Nil) to secure the Group's other borrowings.

Exchange Rate Exposure

Revenue, cost and expenses of the Group's are denominated in Hong Kong dollars ("**HK$**"). The Group's management considers that the Group has no significant foreign exchange exposures. Foreign exchange risk arising from the normal course of operations is considered to be minimal. As at 30 June 2026, the Group did not use any financial instrument for hedging the foreign exchange risk.

Future Plans for Material Investments and Capital Assets

During the six months ended 30 June 2026, the Group currently has no other plan for material investments.

Contingent Liabilities

As at 30 June 2026, the Group did not have any significant contingent liabilities (31 December 2025: HK$Nil).

Capital Commitments

As at 30 June 2026, the Group had no significant capital commitments (31 December 2025: HK$Nil).

Employees and Emolument Policies

The total number of employees in Hong Kong decreased from 25 on 31 December 2025 to 24 on 30 June 2026. In order to recruit, develop and retain talented employees, the Group offers competitive remuneration packages to our staff, including internal promotion opportunities, share options and performance based bonus. The Group enters into standard employment contracts with our staff which contain provisions on intellectual property rights and confidentiality.

The remuneration committee of the Company will make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group.

Significant Investments Held

During the six months ended 30 June 2026, there was no significant investment held by the Group.

Material Acquisitions or Disposals

The Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies during the six months ended 30 June 2026.

Compliance with the Corporate Governance Code

The corporate governance practices of the Group are based on the principles and the code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the GEM Listing Rules.

During the six months ended 30 June 2026, the Company complied with all the applicable code provisions of the Code, except for the following deviations:

Chairman

The position of Chairman has been vacant. The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation by management. The Board monitors the Group's operating and financial performance and ensures that effective governance and corporate social responsibility and policies and sound internal control and risk management systems.

The Board will continue to review and enhance its corporate governance practice of the Company to ensure compliance with the CG Code and align with the latest development.

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 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.

Code of Conduct Regarding Securities Transactions by Directors

The Group has adopted the required standard of dealings, as set out in Rules 5.48 to 5.67 of the GEM Listing Rules, as the code of conduct for securities transactions by the Directors in respect of the shares of the Company. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealings and the code of conduct for securities transactions by directors during the period under review.

Interests in Competing Business

For the six months ended 30 June 2026, none of the Directors or any of their respective close associates (all as defined under the GEM Listing Rules) are engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or have any other conflicts of interest with the Group nor are they aware of any other conflicts of interest which any such persons has or may have with the Group.

Share Option Scheme

The Company adopted a share option scheme (the "**Share Option Scheme**") on 11 May 2016.

The Share Option Scheme was valid and remained in force for a period of ten years from 30 May 2016. The Share Option Scheme expired on 30 May 2026. No further Options can be granted under the Share Option Scheme. However, the Options granted during the life of the Share Option Scheme and prior to its expiration shall continue to be exercisable in accordance with their terms of issue.

As at 1 January 2026 and 30 June 2026, the total number of share options available for grant under the scheme mandate was 1,592,114 and nil, respectively. No service provider sublimit was set under the Share Option Scheme. During the Reporting Period, the Company did not grant any share option under the Share Option Scheme.

The total number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 30 June 2026 (i.e. 807,886) divided by the weighted average number of Shares in issue for the six months ended 30 June 2026 (i.e. 151,683,840) was approximately 0.53%.

As at the date of this report, 807,886 Options remained outstanding and unexercised under the Share Option Scheme. Details of the share options granted under the Share Option Scheme are as follows:

Name	Capacity	Date of grant	Vesting Period	Exercise Period	Exercise Price HK$/ per share	Balance as at 1 January 2026	Options granted during the Reporting Period	Options exercised during the Reporting Period	Options cancelled/ lapsed during the Reporting Period	Balance as at 30 June 2026
Dr. Tsang Hing Bun	A former executive director of the Company (Note 1)	6 January 2023	6 January 2023 to 5 January 2024	6 January 2024 to 5 January 2033	0.37	403,943	–	–	–	403,943
Grantee A	General manager of a subsidiary of the Group	6 January 2023	6 January 2023 to 5 January 2024	6 January 2024 to 5 January 2033	0.37	403,943	–	–	–	403,943
						807,886	–	–	–	807,886

Note:

1. Dr. Tsang Hing Bun served as an executive Director of the Company from 1 April 2022 to 17 January 2025.

Directors' and Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 30 June 2026, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company and its 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 were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange, were as follows:

Long position in shares or underlying shares of the Company

Name of Director/ Chief Executive	Capacity	Number of Shares or underlying shares held: Ordinary shares	Number of Shares or underlying shares held: Share options	Total	Approximate percentage of interest in such corporation
Mr. Chow Ngai Fung	Beneficial owner	28,990,000	–	28,990,000	19.11%
Mr. Shum Tsz Yeung	Beneficial owner	6,750	–	6,750	0.00%
Dr. Tsang Hing Bun (Note 1)	Beneficial owner	–	403,943	403,943	0.27%

Note:

1. Dr. Tsang Hing Bun served as an executive Director of the Company from 1 April 2022 to 17 January 2025.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had any interest or short position in shares, debentures or underlying shares of the Company and its associated corporations which was required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

Substantial Shareholders' and Other Persons' Interests and/or Short Positions in Shares and Underlying Shares of the Company

As at 30 June 2026, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, no person (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Purchase, Sale or Redemption of the Company's Listed Securities or Sales of Treasury Shares

During the six months ended 30 June 2026, the Company did not redeem any of its listed securities, and neither did the Company nor any of its subsidiaries purchase or sell any of the Company's listed securities (including sale of treasury shares (as defined under the GEM Listing Rules)).

As at 30 June 2026, there were no treasury shares (as defined under the GEM Listing Rules) held by the Company.

Audit Committee

The Company established the Audit Committee on 11 May 2016 with written terms of reference in compliance with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules. The primary duties of the Audit Committee are to make recommendation to the Board on the appointment and removal of external auditors; review financial statements and material advice in respect of financial reporting; and oversee internal control procedures of the Company. The Audit Committee currently consists of three members, namely Mr. Choi Ho Yan (Chairman), Mr. Hung Wai Che and Mr. Yiu Yu Hong John, all being independent non-executive Directors.

The Audit Committee has reviewed the Group's interim results for the six months ended 30 June 2026. The Audit Committee is of the view that the unaudited condensed consolidated financial statements have been prepared in accordance with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements.

The unaudited condensed consolidated financial results for the six months ended 30 June 2026 have not been audited or reviewed by the Company's auditors.

Event after Reporting Period

Save as to the event stated hereafter, there is no material subsequent event undertaken by the Company or by the Group after 30 June 2026 and up to the date of this report.

On 3 August 2026, Art Kingdom Limited, an indirect wholly-owned subsidiary of the Company entered into a tenancy agreement (the "**Tenancy Agreement**") with an independent third party in respect of the lease of premises for a term of thirty five (35) months from 1 August 2026 to 30 June 2029 (both days inclusive) for use as one of the general retail stores of the Group. The aggregate value of rent payable under the Tenancy Agreement is HK$1,760,000, representing a monthly rental of HK$55,000 with a rent-free period of three months from 1 August 2026 to 31 October 2026 (both days inclusive), exclusive of government rent, rates and management fees to be paid in advance without any deduction. As the applicable percentage ratios (as defined under the GEM Listing Rules) for the lease transaction contemplated under the Tenancy Agreement exceed 5% but are below 25%, such transaction constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules. For details, please refer to the announcement of the Company dated 5 August 2026.

Publication of Interim Results and Interim Report on the Websites of the Stock Exchange and the Company

The unaudited interim results announcement of the Company for the six months ended 30 June 2026 has been published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.jimugrouphk.com. This interim report will be dispatched to the shareholders of the Company and made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Jimu Group Limited
Chan Ting Leuk Arthur
Executive Director

Hong Kong, 26 August 2026

As at the date of this report, the executive Directors are Mr. Chan Ting Leuk Arthur and Mr. Chow Ngai Fung (Chief Executive Officer); the non-executive Director is Mr. Shum Tsz Yeung; and the independent non-executive Directors are Mr. Hung Wai Che, Mr. Choi Ho Yan, Mr. Yiu Yu Hong John and Ms. Chu Wei Ning.