MEGAIN Holding (Cayman) Co., Ltd.
美佳音控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6939)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

HIGHLIGHTS

Revenue of the Group for the six months ended 30 June 2025 was approximately RMB70,766,000, representing an increase of approximately 7.7% as compared with that of approximately RMB65,733,000 for the corresponding period in 2024;

Loss for the period of the Group for the six months ended 30 June 2025 was approximately RMB38,575,000, representing a decrease of approximately 9,624.7% as compared with a profit of approximately RMB405,000 for the corresponding period in 2024;

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2025.

The Board of MEGAIN Holding (Cayman) Co., Ltd. hereby announces the unaudited condensed consolidated financial results of the Group for the Relevant Period together with the unaudited comparative figures for the corresponding period in 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended 30 June	
		2025	2024
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**70,766**	65,733
Cost of sales and services		**(60,828)**	(44,413)
Gross profit		**9,938**	21,320
Other net income	*5*	**3,027**	4,210
Provision of impairment losses of trade receivables, net		**(616)**	(560)
Provision of impairment losses of property, plant and equipment		**(4,868)**	–
Provision of impairment losses of intangible assets		**(9,938)**	–
Provision of impairment losses of prepayments		**(2,473)**	–
Research and development expenses		**(10,201)**	(9,034)
Selling and distribution expenses		**(6,946)**	(4,222)
Administrative expenses		**(14,244)**	(11,155)
Finance costs		**(386)**	(130)
(Loss)/profit before taxation	*6*	**(36,707)**	429
Income tax	*7*	**(1,868)**	(24)
(Loss)/profit for the period attributable to the owners of the Company		**(38,575)**	405
Other comprehensive income, net of tax			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(551)**	118
Total comprehensive income for the period attributable to the owners of the Company		**(39,126)**	523
(Loss)/earnings per share – Basic and diluted	*9*	**(RMB0.074)**	RMB0.001

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Notes	**30 June 2025 *RMB'000* (Unaudited)**	31 December 2024 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment		**11,352**	6,320
Intangible assets		**21,907**	24,114
Prepayments		**457**	5,770
Other receivables		**3,166**	1,272
Finance lease receivable		**360**	491
Bank deposits		**40,000**	40,000
Deferred tax assets		**711**	1,268
Total non-current assets		**77,953**	79,235
Current assets			
Inventories		**31,867**	33,730
Trade receivables	*10*	**46,211**	67,349
Deposits, prepayments and other receivables		**27,733**	26,834
Income tax recoverable		**907**	437
Finance lease receivable		**259**	254
Bank deposits		**20,000**	30,000
Cash and cash equivalents		**169,589**	172,352
Total current assets		**296,566**	330,956
Current liabilities			
Trade payables	*11*	**12,945**	17,963
Accruals and other payables		**4,609**	8,271
Bank borrowings		**12,000**	10,000
Lease liabilities		**2,897**	483
Contract liabilities		**779**	524
Provisions		**1,332**	1,368
Income tax payable		**–**	–
Total current liabilities		**34,562**	38,609
Net current assets		**262,004**	292,347
Total assets less current liabilities		**339,957**	371,582

	Note	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Non-current liabilities			
Lease liabilities		**8,189**	141
Deferred tax liabilities		**107**	654
Total non-current liabilities		**8,296**	795
NET ASSETS		**331,661**	370,787
Capital and reserves			
Share capital	*12*	**4,325**	4,325
Reserves		**327,336**	366,462
TOTAL EQUITY		**331,661**	370,787

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. GENERAL INFORMATION

MEGAIN Holding (Cayman) Co., Ltd. (the "Company") was incorporated in the Cayman Islands on 22 June 2016 as an exempted company with limited liability and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited. The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of its subsidiaries is in the People's Republic of China (the "PRC").

The principal activity of the Company is investment holding. The Company and its subsidiaries (together the "Group") are engaged in the provision of research, design, development and sales of compatible cartridge chips and trading of integrated circuits and other cartridge components.

2. BASIS OF PREPARATION

These interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025 (the "Relevant Period") have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34"), issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). These interim condensed consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand ('000) except when otherwise indicated.

The accounting policies and basis of preparation used in the preparation of these interim condensed consolidated financial statements are the same as those used in the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the revised HKFRS Accounting Standards for the first time during the Period under Review. Details of any changes in accounting policies are set out in Note 3 below.

In preparing these interim condensed consolidated financial statements in compliance with HKAS 34, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual consolidated financial statements for the year ended 31 December 2024.

These interim condensed consolidated financial statements do not include all information and disclosures required in the Group's annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

These interim condensed consolidated financial statements are unaudited, but has been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the HKICPA.

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied a number of amended HKFRS Accounting Standards, which are issued by the HKICPA to these interim condensed consolidated financial statements for the current accounting period.

The amended HKFRS Accounting Standards are discussed below, but they had no impact on the interim condensed consolidated financial statements:

Amendment to HKAS 21 and HKFRS 1, Lack of Exchangeability

On 25 September 2023, the HKICPA issued Lack of Exchangeability, which amended HKAS 21 The Effects of Changes in Foreign Exchange Rates ('the Amendments').

These Amendments are applicable for annual reporting periods beginning on or after 1 January 2025. The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The Amendments also introduce additional disclosure requirements when an entity estimates a spot exchange rate because a currency is not exchangeable into another currency.

HKAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

When applying the Amendments, an entity is not permitted to restate comparative information.

These Amendments have had no material effect on the interim condensed consolidated financial statements.

4. REVENUE AND SEGMENT REPORTING

The executive director of the Company has been identified as the chief operating decision maker of the Group who reviews the Group's internal reporting in order to assess the performance of the Group on a regular basis and allocate resources.

The Group is principally engaged in the provision of research, design, development and sales of compatible cartridge chips and trading of integrated circuits and other cartridge components. The chief operating decision maker assesses performance of the business based on a measure of operating results and consider the business in a single operating segment. Information reported to the chief operating decision maker for the purposes of resources allocation and performance assessment focuses on the operating results of the Group as a whole as the Group's resources are integrated. Accordingly, the Group has identified one operating segment and no segment information is presented.

All of the Group's revenue is derived from contracts with customers.

(a) Disaggregation of the Group's revenue from contracts with customers

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Products		
Sales of chips	**35,484**	60,443
Trading of integrated circuits and other cartridge components	**35,282**	5,290
	70,766	65,733
Timing of revenue recognition		
Point in time	**70,766**	65,733

(b) Geographic information

The Company is an investment holding company and the principal place of the Group's operation is in the PRC. The following table provides an analysis of the Group's revenue from external customers and non-current assets other than deferred tax assets:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
External revenue by location of the customers		
PRC	**30,225**	52,331
Overseas	**40,541**	13,402
	70,766	65,733

	30 June 2025	31 December 2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Non-current assets by location of assets		
PRC	**32,639**	29,511
Overseas	**620**	923
	33,259	30,434

5. OTHER NET INCOME

An analysis of other net income is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Bank interest income	**1,920**	2,074
Exchange gains, net	**–**	474
Government grants *(Note)*	**58**	1,619
Gain on write off of intangible assets	**833**	–
Sundry income	**216**	43
	3,027	4,210

Note:

Government grants were mainly comprised of subsidies related to the Group's innovation projects and refund of value-added tax. There are no unfulfilled conditions or contingencies attaching to these grants.

6. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Carrying amount of inventories sold	**54,138**	39,256
Reversal of impairment losses of inventories	**–**	(20)
Cost of inventories recognised as expense	**54,138**	39,236
Amortisation of intangible assets	**2,110**	1,725
Auditor's remuneration	**594**	757
Bad debt written off of trade receivables	**–**	13
Depreciation of property, plant and equipment		
– Owned property, plant and equipment	**1,039**	1,042
– Right-of-use assets	**1,425**	788
Loss on disposals of property, plant and equipment	**20**	–
Provision of impairment losses of trade receivables, net	**616**	560
Provision of impairment losses of property, plant and equipment *(Note)*		
– Owned property, plant and equipment	**1,586**	–
– Right-of-use assets	**3,282**	–
Provision of impairment losses of intangible assets *(Note)*	**9,938**	–
Provision of impairment losses of prepayment *(Note)*	**2,473**	–
Short-term leases expenses	**262**	307
Research and developments expenses (other than staff costs)	**10,201**	4,594
Staff costs (including directors' emoluments)		
– Salaries, wages and other benefits	**7,544**	10,355
– Retirement scheme contributions	**1,013**	1,838
	8,557	12,193

Note:

During the six months ended 30 June 2025, the Group conducted an impairment assessment in response to the declining gross profit ratio, which was adversely affected by intensified competition in the compatible cartridge chip industry. As a result of the assessment, the recoverable amount, which determined based on value in use of the major cash-generating unit that operates in Zhuhai, the PRC (the "CGU"), was estimated at RMB111,399,000. This amount is lower than the CGU's carrying value of RMB128,678,000, and accordingly, an impairment loss of RMB17,279,000 is recognised for the period (six months ended 30 June 2024: RMBNil).

7. INCOME TAX

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PRC enterprise income tax		
– Current year	**114**	42
– (Over)/under provision in prior years	**(106)**	46
Deferred tax		
– Charged/(credited) to profit or loss for the period	**10**	(64)
– Withholding tax	**1,850**	–
Income tax expense	**1,868**	24

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

Subsidiaries operating in Hong Kong are subject to Hong Kong profits tax. Hong Kong profits tax is calculated at two-tiered tax rates on the estimated assessable profits arising in Hong Kong at 8.25% on assessable profits up to Hong Kong dollars ("HK$") 2 million and 16.5% on any part of assessable profits over HK$2 million. For the six months ended 30 June 2025 and 2024, under the two-tiered tax rates regime, if an entity has one or more connected entities, the two-tiered tax rates would only apply to the one which is nominated to be chargeable at the two-tiered tax rates.

For those entities which do not qualify for the two-tiered profits tax rates, a profits tax rate of 16.5% on assessable profit shall remain in calculating Hong Kong profits tax.

Under the PRC Enterprise Income Tax Law, which became effective on 1 January 2008, the Group's PRC entities are subject to income tax at a rate of 25%, unless otherwise specified. One of the Group's subsidiaries, Zhuhai Megain is eligible for a preferential income tax rate of 15% as a High New Technology Enterprise during the period. For the six months ended 30 June 2025 and 2024, income tax provision is calculated at 15% of the assessable income of Zhuhai Megain.

8. DIVIDENDS

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Final dividends	**–**	9,286

On 28 June 2024, the Company paid a final dividend of RMB9,286,000, in aggregate to its owners of the Company in respect of the years ended 31 December 2023. The directors do not recommend the payment of any dividend for the six months ended 30 June 2025 and 2024.

9. BASIC AND DILUTED (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted (loss)/earnings per share is based on the following data.

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
(Loss)/earnings		
(Loss)/profit for the period attributable to owners of the Company	**(38,575)**	405

	Six months ended 30 June	
	2025	2024
	Number'000	*Number'000*
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares	**518,750**	518,750

Note:

Weighted average of 518,750,000 shares for the six months ended 30 June 2025 and 2024 represents the number of shares in issue throughout the period.

Diluted earnings per share were the same as the basic earnings per share as the Group had no potential dilutive ordinary shares during the six months ended 30 June 2025 and 2024.

10. TRADE RECEIVABLES

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Trade receivables	**50,958**	71,477
Less: Loss allowance for trade receivables	**(4,747)**	(4,128)
	46,211	67,349

Notes:

(a) All of the trade receivables are expected to be recovered within one year.

During the Relevant Period, the Group offered credit periods ranging from 30 to 120 days to its customers. Before accepting any new customer, the Group assesses the potential customer's credit quality. Credit term granted to customers is reviewed regularly.

(b) Included in trade receivables are trade debtors (net of impairment losses) with the following ageing analysis, based on invoice dates, as at the end of Relevant Period:

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Within 90 days	**25,601**	47,125
91 to 180 days	**12,468**	10,754
Over 180 days	**8,142**	9,470
	46,211	67,349

11. TRADE PAYABLES

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Trade payables	**12,945**	17,963

Notes:

(a) A credit period granted by suppliers is normally 30 days to 60 days. Due to short maturity periods, the carrying values of the Group's trade payables are considered to be a reasonable approximation of their fair values.

(b) Included in trade payables are trade creditors with the following ageing analysis, based on invoice dates, as at the end of Relevant Period:

	30 June 2025 *RMB'000* **(Unaudited)**	31 December 2024 *RMB'000* (Audited)
Within 30 days	**6,813**	13,686
31 to 90 days	**4,265**	1,759
Over 90 days	**1,867**	2,518
	12,945	17,963

12. SHARE CAPITAL

	Number of shares ***'000***	**Amount** ***RMB'000***
Ordinary shares, issued and fully paid:		
At 1 January 2024, 31 December 2024 and 30 June 2025 (unaudited)	518,750	4,325

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the research, design, development and sales of compatible cartridge chips and other chips. Our compatible cartridge chips are broadly applicable to (i) desktop laser printers; (ii) desktop inkjet printers; and (iii) commercial printers. Other chips are mainly IoT related chips such as (i) Hall sensor chips, a kind of magnetic field sensor that are generally used for positioning, speed detection and proximity sensing and ultimately applied to different kinds of electronic products including automobiles, 5G base stations, fans, toys, etc; (ii) power management ICs ("PMICs"); and (iii) battery charge management ICs. In addition, the Group is also engaged in the trading of ICs and other cartridge components, including plastic parts and toners, as ancillary services to our customers, and the provision of technical and design services for chips at the request of customers.

Compatible Cartridge Chips Business

During the Relevant Period, the operating environment for the Group's compatible printer cartridge chip business was largely a continuation of that for 2024. During the Relevant Period, China's economy maintained stable development, and the Chinese government implemented a series of economic stimulus measures, which restored some momentum to growth. However, under the shadows of the U.S.–China trade war and geopolitical instability, the economic outlook remains uncertain, hindering the pace of economic growth. This has led to tightened corporate procurement budgets and a continued decline in the printer market. Although national subsidy policies aimed to encourage enterprises to replace printer equipment, the results were not very effective. According to IDC's "Quarterly Tracking Report on China's Hardcopy Peripherals Market (Q2 2025)", the shipment volume of China's printing peripherals market in the first half of 2025 decreased by 5.5% year-on-year.

During the Relevant Period, the Group's sales volume of compatible printer cartridge chips increased from approximately 7,136,000 pieces for the six months ended 30 June 2024 to approximately 7,673,000 pieces, representing an increase of approximately 7.5%. However, the keen competition in the compatible printer cartridge chips industry significantly impacts the gross profit. The average selling price per piece of the Group's compatible printer cartridge chip decreased by approximately 56.7% from approximately RMB8.1 per piece in the same period last year to approximately RMB3.5 per piece during the Relevant Period. The Group's gross profit margin of compatible printer cartridge chips for the Relevant Period narrowed significantly as shown in the table in the section "Gross profit and gross profit margin" below.

The number of newly developed compatible printer cartridge chips of the Group during the Relevant Period and the comparative data of the same period last year are as follows:

	As at 30 June	
	2025	2024
	Number of newly developed compatible printer cartridge chips	Number of newly developed compatible printer cartridge chips
Compatible printer chips applied to the following products:		
Desktop laser printer	**59**	297
Desktop inkjet printer	**48**	51
Commercial printer	**–**	45
Total:	**107**	393

The number of newly developed compatible printer cartridge chips for the Relevant Period was reduced from 393 pieces for the corresponding period for 2024 to 107 pieces as the printer manufacturers developed very few new models of printers during the Relevant Period.

Internet of Things Chips Business

Since the commencement of the IoT chips business, the Group has developed a series of IoT chips such as Hall sensor chips, PMICs, battery charge management ICs, etc. At the same time, we have also developed IoT products such as temperature and humidity measuring instruments to provide customers with IoT solutions. During the Relevant Period, the Group successfully developed 11 models of IoT chips and products, including 4 models of low-dropout regulating chips (the "LDO") for power management, 3 models of silicon carbide metal oxide semiconductor field effect transistor (the "SiCMOS") (碳化矽金屬氧化物半導體場效電晶體) for electric current control, and 4 kinds of IoT smart hardware.

The IoT chips market is huge, with a characteristics of having a wide range of applications, a large number of buyers but small amount for each transaction, and hence it takes a long time to build up a customer base. The Group has just entered this market, which is still in the early stage of production and market development, and has not yet achieved economies of scale. Coupled with the modest recovery of China's manufacturing industry, the Group has put more effort into various aspects such as marketing and hopes to improve the performance of the IoT chips business.

Trading of ICs and other Cartridge Components

We also engaged in the trading of ICs and other cartridge components, including plastic parts and toner, as ancillary services to our customers.

In order to further increase the Group's sales channels and product categories, the Group commenced an online sales business in 2024, mainly selling compatible printer cartridges, toner and other finished printer consumables under the brand name "Polytoner" (寶利通).

FINANCIAL REVIEW

Revenue

Our overall revenue increased by approximately 7.7% from approximately RMB65.7 million for the six months ended 30 June 2024 to approximately RMB70.8 million for the Relevant Period. The following table summarises the revenue for each of the product categories by application during the periods indicated:

	Six months ended 30 June							
	2025 (Unaudited)				2024 (Unaudited)			
	Revenue	**% of total revenue**	**Sales volume**	**Average selling price**	Revenue	% of total revenue	Sales volume	Average selling price
	RMB'000	***%***	***000' pieces of chips***	***RMB***	*RMB'000*	*%*	*000' pieces of chips*	*RMB*
Sales of chips								
Product category-application								
– Desktop laser printers	**19,209**	**27.1**	**6,165**	**3.1**	44,395	67.5	4,684	9.5
– Desktop inkjet printers	**6,815**	**9.6**	**1,395**	**4.9**	12,242	18.6	2,323	5.3
– Commercial printers[1]	**969**	**1.4**	**113**	**8.6**	1,298	2.1	130	10.0
Sub-total	**26,993**	**38.1**	**7,673**	**3.5**	57,935	88.2	7,136	8.1
Sales of other chips	**8,491**	**12.0**	**9,509**	**0.9**	2,508	3.8	5,377	0.5
Trading of ICs and other cartridge components[2]	**35,282**	**49.9**	**N/A**	**N/A**	5,290	8.0	N/A	N/A
Total	**70,766**	**100**			65,733	100		

Notes:

1. Includes mainly commercial laser printers.

2. In addition to the provision of chips, we also engaged in the trading of ICs and other cartridge components, including plastic parts and toner, as ancillary services to our customers, and the sales of compatible cartridges, toner and other printer consumables in online shop.

(i) Sales of compatible cartridge chips

Our revenue from the sales of compatible cartridge chips decreased by approximately 53.4% from approximately RMB57.9 million for the six months ended 30 June 2024 to approximately RMB27.0 million for the Relevant Period. The decrease was mainly attributable to the decrease in revenue from the sales of chips for (i) laser printers from approximately RMB 44.4 million for the six months ended 30 June 2024 to approximately RMB 19.2 million for the Relevant Period, and (ii) inkjet printers from approximately RMB12.2 million for the six months ended 30 June 2024 to approximately RMB6.8 million for the Relevant Period.

The sales volume of compatible cartridge chips increased to approximately 7,673,000 pieces for the Relevant Period from approximately 7,136,000 pieces for the corresponding period for 2024. However, the average selling price of our compatible cartridge chips decreased to approximately RMB3.5 per piece for the Relevant Period from approximately RMB8.1 per piece for the corresponding period of last year. The decrease of average selling price was mainly due to the intensifying competition in the industry.

(ii) Sales of other chips

In addition to the Hall sensor chips the Group launched in 2021, the Group developed some new IoT chips such as PMICs, battery management ICs, etc. We also provide customised IoT solution to clients. The sales of other chips for the Relevant Period increased by approximately 238.7% from approximately RMB2.5 million for the six months ended 30 June 2024 to approximately RMB8.5 million for the Relevant Period. The increase was mainly due to the increase in the sales of metal oxide semiconductor field effect transistor (the "MOSFET") (金屬氧化物半導體場效電晶體), a transistor used to control electric current.

(iii) Trading of ICs and other cartridge components

Our revenue generated from trading of ICs and other cartridge components increased by approximately 566.9% from approximately RMB5.3 million for the six months ended 30 June 2024 to approximately RMB35.3 million for the Relevant Period mainly due to the increase in the sales of compatible printer cartridges and cartridge components.

The Group is engaged into the sales of compatible printer cartridges, toner and other printer consumables in its online shop in order to expand its sales network. During the Relevant Period, our online sales amounted to approximately RMB3.7 million, representing an increase of 60.6%, as compared with approximately RMB2.3 million for the corresponding period of last year due to the increase in demand for printer related products overseas.

Cost of sales and services

Our cost of sales and services increased from approximately RMB44.4 million for the six months ended 30 June 2024 to approximately RMB60.8 million for the Relevant Period. The increase was mainly caused by the increase in direct materials costs primarily driven by the increase in the sales of trading in ICs and other cartridge components.

Gross profit and gross profit margin

Our overall gross profit decreased by approximately 53.4% from approximately RMB21.3 million for the six months ended 30 June 2024 to approximately RMB9.9 million for the Relevant Period. Our overall gross profit margin decreased from approximately 32.4% for the six months ended 30 June 2024 to approximately 14.0% for the Relevant Period. The following table sets forth a breakdown of our gross profit and gross profit margin for each of the product categories by application during the periods indicated:

	Six months ended 30 June			
	2025 (Unaudited)		2024 (Unaudited)	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	RMB'000	***%***	*RMB'000*	*%*
Sales of chips				
Product category-application				
– Desktop laser printers	**6,508**	**33.9**	21,629	48.7
– Desktop inkjet printers	**84**	**1.2**	(1,483)	(13.8)
– Commercial printers	**301**	**31.1**	561	60.9
Sub-total	**6,893**	**25.5**	20,707	35.7
Sales of other chips	**1,321**	**15.6**	(117)	(4.7)
Trading of ICs and other cartridge components	**1,724**	**4.9**	730	13.8
Total	**9,938**	**14.0**	21,320	32.4

(i) ***Sales of compatible cartridge chips***

The gross profit from the sales of compatible cartridge chips decreased from approximately RMB20.7 million for the six months ended 30 June 2024 to approximately RMB6.9 million for the Relevant Period, mainly due to the decrease in gross profit from the sales of our chips for desktop laser printers from approximately RMB21.6 million for the six months ended 30 June 2024 to approximately RMB6.5 million for the Relevant Period, which was mainly because the competition in the compatible cartridge chips industry was keen and most compatible cartridge chips we sold during the Relevant Period were those for old printer models with low gross profit margins.

Our gross profit margin of compatible cartridge chips decreased from approximately 35.7% for the six months ended 30 June 2024 to approximately 25.5% for the Relevant Period, mainly due to the reasons mentioned in the last paragraph.

(ii) ***Sales of other chips***

The gross profit from the sales of other chips increased from approximately negative RMB0.1 million for the six months ended 30 June 2024 to approximately RMB1.3 million for the Relevant Period. The gross profit margin of the sales of other chips increased from approximately negative 4.7% for the six months ended 30 June 2024 to approximately 15.6% for the Relevant Period. The increase in gross margin of the sales of other chips was attributable to the higher gross margin of some new IoT chips and products such as MOSFET and humidity and temperature measuring instruments than that of other IoT products.

(iii) ***Trading of ICs and other cartridge components***

Our gross profit from trading of ICs and other cartridge components increased from approximately RMB0.7 million for the six months ended 30 June 2024 to approximately RMB1.7 million for the Relevant Period as a result of the increase in the online sales of printer consumables. The decrease in gross profit margin from approximately 13.8% for the six months ended 30 June 2024 to approximately 4.9% for the Relevant Period was mainly due to the high proportion of the sales of trading of other cartridge components which has a low gross profit margin in the total sales of trading of ICs and other cartridge components.

Other net income

Our other net income decreased by approximately 28.1% from approximately RMB4.2 million for the six months ended 30 June 2024 to approximately RMB3.0 million for the Relevant Period, which was mainly due to the delay in the distribution of government grants.

Provision of impairment losses of assets

During the Relevant Period, the Group recognized provision of impairment losses of (i) property, plant and equipment, (ii) intangible assets, and (iii) prepayments of approximately RMB4,9 million, RMB9.9 million, and RMB2.5 million respectively due to operating losses.

Research and development expenses

Our research and development expenses increased by approximately 12.9% from approximately RMB9.0 million for the six months ended 30 June 2024 to approximately RMB10.2 million for the Relevant Period. Such increase was mainly due to the recognition of more research expenses for IoT projects on completion.

Selling and distribution expenses

Our selling and distribution expenses increased by approximately 64.5% from approximately RMB4.2 million for the six months ended 30 June 2024 to approximately RMB6.9 million for the Relevant Period. Such increase was mainly attributable to more marketing activities being conducted for strengthening the development of new businesses of the Group such as chips for internet of things and online sales and the employment of more marketing staff.

Administrative expenses

Our administrative expenses increased by approximately 27.7% from approximately RMB11.2 million for the six months ended 30 June 2024 to approximately RMB14.2 million for the Relevant Period mainly due to the change of the headquarters in the PRC and written-off of raw materials costs.

Income tax expenses

Our income tax expenses increased by approximately 7,683.3% from approximately nil for the six months ended 30 June 2024 to approximately RMB1.9 million for the Relevant Period, attributable to the charging of a withholding tax. The withholding tax arose from the payment of a withholding tax for the dividend paid by Zhuhai Megain to its immediate holding company outside the PRC, Megain Group (HK) Limited.

Net profit and net profit margin

The Group recorded a net loss attributable to owners of the Company of approximately RMB38.6 million during the Relevant Period as compared with the net profit attributable to owners of the Company of approximately RMB0.4 million for the corresponding period in 2024 mainly because of the decrease in gross profit of our compatible cartridge chips business and the reasons discussed above.

Our net profit margin turned from 0.6% for the six months ended 30 June 2024 to negative 54.5% for the Relevant Period mainly due to the reasons discussed above.

Net current assets

We recorded net current assets of approximately RMB262.0 million as at 30 June 2025 and RMB292.3 million as at 31 December 2024 respectively. Our current assets decreased from approximately RMB331.0 million as at 31 December 2024 to approximately RMB296.6 million as at 30 June 2025, mainly due to the decrease in inventories, trade receivables, bank deposits, and cash and cash equivalents. Our current liabilities decreased from approximately RMB38.6 million as at 31 December 2024 to approximately RMB34.6 million as at 30 June 2025 primarily due to the decrease in trade payables, and accruals and other payables.

Property, plant and equipment

The net book value of our property, plant and equipment increased from approximately RMB6.3 million as at 31 December 2024 to approximately RMB11.4 million as at 30 June 2025 mainly due to the addition of right-of-use assets as a result of entering into a lease for new office.

Intangible assets

Our intangible assets consisted mainly of software and patent. The net book value of our intangible assets decreased from approximately RMB24.1 million as at 31 December 2024 to approximately RMB21.9 million as at 30 June 2025 mainly due to the assets impairment provision made.

Inventories

Inventories primarily comprised raw materials, finished goods, goods-in-transit and right to recover returned goods. Inventories decreased slightly from approximately RMB33.7 million as at 31 December 2024 to approximately RMB31.9 million as at 30 June 2025 mainly due to the recognition of a reduction in amount of inventory to the estimated net realisable value.

Trade receivables

Our trade receivables decreased from approximately RMB67.3 million as at 31 December 2024 to approximately RMB46.2 million as at 30 June 2025 mainly due to the decrease in the turnover of compatible printer cartridge chip business.

Deposits, prepayments and other receivables

Our deposit, prepayments and other receivables increased from approximately RMB26.8 million as at 31 December 2024 to approximately RMB27.7 million as at 30 June 2025 mainly due to prepayment for the decoration of new office.

Trade payables

Our trade payables decreased from RMB18.0 million as at 31 December 2024 to RMB12.9 million as at 30 June 2025 mainly due to the decrease in the purchase of raw materials.

Indebtedness

The table below sets out the breakdown of the indebtedness of our Group as at the respective dates indicated:

	As at 30 June 2025 ***RMB'000*** **(Unaudited)**	As at 31 December 2024 *RMB'000* (Audited)
Current liabilities		
Bank borrowings due within one year	**12,000**	10,000
Lease liabilities	**2,897**	483
Non-current liabilities		
Lease liabilities	**8,189**	141
	23,086	10,624

As at 30 June 2025, our Group, as a lessee, had outstanding contractual lease payments amounting to approximately RMB11.1 million in aggregate in relation to the remaining lease terms of certain lease contracts, which were unsecured and unguaranteed. Our lease liabilities represent the obligations arising from the right to use certain properties through tenancy agreements.

Outlook and future plan

The performance of the Group is closely related to the economic cycle. Looking forward, we expect that the pace of China's economic development, Sino-US trade disputes, regional military conflicts, and interest rate movement shall still affect the global economic development, indirectly affecting the demand for compatible printer cartridge chips. From the industry's perspectives, we expect, at least in short run, excessive competition among compatible printer cartridge chip manufacturers will continue to drive down the selling price of the compatible printer cartridge chips and the sluggish global economic growth will continue to undermine the desire of original printer producers to product more new models of original printer.

Coupled with the nebulous future, we shall continue the strategy of developing IoT business, so that the Group can fully take advantage of its research capability and expand our business horizon. In addition, we have diversified our sales platform by establishing online shops, so that the Group can sell its products overseas. At present, we sell compatible printer cartridges for major printer brands, toner, and other printer consumables online under the brand "Polytoner".

As at 30 June 2025, the Group did not have any plans for material investments and acquisition of capital assets.

OTHER FINANCIAL INFORMATION

Liquidity and Financial Resources

During the Relevant Period, the Group financed its operations mainly by cash generated from operations, debt financing, and the proceeds of the Listing.

As at 30 June 2025, the Group had cash and cash equivalents of approximately RMB169.6 million and bank deposits of approximately RMB60.0 million (as at 31 December 2024: approximately RMB172.4 million and approximately RMB70.0 million respectively).

As at 30 June 2025, the Group had net current assets of approximately RMB262.0 million (as at 31 December 2024: approximately RMB292.3 million) and net assets of approximately RMB331.7 million (as at 31 December 2024: approximately RMB370.8 million).

Taking into account the cash flow generated from operations, debt financing, and the net proceeds from the Listing, the Directors are of the view that the Group has sufficient working capital to meet its current liquidity demand and the liquidity demand within at least 12 months from the end of the Relevant Period.

Capital Structure

A. Borrowing

The total bank borrowing of the Group as at 30 June 2025 was approximately RMB12 million (as at 31 December 2024: approximately RMB10 million) which was denominated in RMB, so it did not have any foreign exchange impact on our financial statements during the Relevant Period. The bank borrowing was interest bearing and unsecured. During the Relevant Period, the Group did not experience any difficulties in utilising its banking facilities with its lenders.

B. Gearing Ratio

As at 30 June 2025, the Group's gearing ratio was approximately 3.6% (as at 31 December 2024: 2.7%), calculated as the total borrowings divided by the total equity as at the end of the Relevant Period multiplied by 100%. The increase was mainly due to the increase in bank borrowing of the Group for working capital need during the Relevant Period. The Group's gearing ratio demonstrated that the financial position of the Group was healthy as the borrowing level of the Group was very low as at the end of the Relevant Period.

Pledge of Assets

As at 30 June 2025, the Group did not pledge any assets of the Group.

Contingent Liabilities

As at 30 June 2025 and 2024, the Group did not have any material contingent liabilities.

Material Acquisition and Disposal by the Group

During the Relevant Period, the Group did not make any material acquisition or disposal of subsidiaries, associates and joint ventures.

Significant Investments

The Group did not hold any significant investments as at 30 June 2025.

Foreign Currency Exposure

The majority of the Group's assets, liabilities and cash flows were denominated in RMB and part of the Group's assets such as cash and cash equivalents and trade receivables, were denominated in USD or HKD. We are exposed to foreign currency risk arising from fluctuations in exchange rates between RMB against USD or HKD. During the Relevant Period, the change of RMB against USD or HKD did not have any significant effect from translation. During the Relevant Period, the Group did not engage in any hedging activities and the Group has no intention to carry out any hedging activities in the near future. The management of the Group will continue to closely monitor the foreign currency market and consider carrying out hedging activities when necessary.

Human Resources

As at 30 June 2025, we had approximately 157 full-time employees, of which 142 were based in the PRC and 15 were based in Taiwan and Hong Kong. The Group has adopted policies on recruitment, compensation, dismissal, equal opportunities, diversity, anti-discrimination, and other benefits and welfare. The Group provides induction to new employees on its business, culture, structure, and products. We also provide regular training to our employees. Our employees' remuneration comprises salaries, bonuses, employee retirement fund and social security contributions and other welfare payments. The Group also adopted the Share Option Scheme as part of the incentive package. We regularly assess the performance of our employees, the results of which would form the basis for salary increments, bonuses and promotions.

Dividend

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

OTHER INFORMATION

DISCLOSURE OF INTERESTS

(A) Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As far as the Company is aware, as at 30 June 2025, the interests and/or short positions of the Directors and chief executive of our Company in the shares, underlying shares and debentures of our Company and our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to our Company and the Stock Exchange are as follows:

Name of Director	Capacity/Nature of Interest	Number of Shares[1]	Approximate Percentage of Shareholding
Mr. Cheng	Interest in a controlled corporation[2]	151,812,500 (L)	29.27%
Mr. Lam	Beneficial owner	86,250,000 (L)	16.63%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) As at 30 June 2025, the Company is approximately 29.27% directly owned by GMTL. As at 30 June 2025, GMTL was wholly owned by Mr. Cheng. By virtue of the SFO, Mr. Cheng is deemed to be interested in all the Shares held by GMTL.

Save as disclosed above, none of the Directors and the chief executive of the Company nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 30 June 2025.

(B) Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares

So far as the Directors are aware, as at 30 June 2025, the following persons have an interest or a short position in the Shares and the underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company:

Name of Shareholder	Capacity/Nature of Interest	Number of Shares[1]	Approximate Percentage of Shareholding
GMTL	Beneficial owner[2]	151,812,500 (L)	29.27%
Mr. Cheng	Interest in a controlled corporation[2]	151,812,500 (L)	29.27%
GLC	Beneficial owner[3]	97,500,000 (L)	18.80%
Mr. Yu	Interest in a controlled corporation[3]	97,500,000 (L)	18.80%
Mr. Lam	Beneficial owner	86,250,000 (L)	16.63%

Notes:

(1) The letter "L" denotes a long position in the Shares.

(2) As at 30 June 2025, our Company is approximately 29.27% directly owned by GMTL. As at 30 June 2025, GMTL was wholly owned by Mr. Cheng. By virtue of the SFO, Mr. Cheng is deemed to be interested in all the Shares held by GMTL.

(3) As at 30 June 2025, our Company is approximately 18.80% directly owned by GLC. As at 30 June 2025, GLC was wholly owned by Mr. Yu. By virtue of the SFO, Mr. Yu is deemed to be interested in all the Shares held by GLC.

Save as disclosed herein, our Directors are not aware of any person who, as at 30 June 2025, has an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

SHARE OPTION SCHEME

On 26 February 2021, the Company conditionally adopted the Share Option Scheme. Under the Share Option Scheme, the Board may, at their absolute discretion, at any time within a period of ten years commencing on 26 February 2021 offer to grant to any eligible persons, including employees, directors, consultants, suppliers, customers and shareholders of any member of the Group, options to subscribe for the Shares. Details of the Share Option Scheme are set out in the section headed "Report of Directors" in the Company's annual report for the year ended 31 December 2024.

No share option has been granted by the Company under the Share Option Scheme since its adoption.

ARRANGEMENT FOR DIRECTORS TO PURCHASE SHARES OR DEBENTURES

At no time during the Relevant Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding 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 debt securities (including debentures) of the Company or any other body corporate.

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING INTERESTS

During the Relevant Period, none of the Directors or their respective close associates (other than members of the Group) has any interest in a business, apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group which would require disclosure under Rule 8.10 of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

According to the information disclosed publicly and as far as the Directors are aware, during the Relevant Period, the Company maintained the amount of public float as required under the Listing Rules.

PURCHASES, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Relevant Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including treasury shares (as defined under the Listing Rules)).

GOING CONCERN

Based on the current financial position and the available financing facilities, the Group has sufficient financial resources for ongoing operation in the foreseeable future. As such, the financial statements in this announcement were prepared on a "going concern" basis.

USE OF NET PROCEEDS FROM THE LISTING

The Shares were listed on the Main Board on the Listing Date. The Group received net proceeds (after deduction of underwriting commissions and related costs and expenses) from the Global Offering and the exercise of over-allotment option of approximately HKD118 million (equivalent to approximately RMB98.5 million). The Group intended to use the net proceeds according to the section headed "Future Plans and Use of Proceeds" in the Prospectus.

UPDATE ON THE EXPECTED TIMETABLE AND CHANGE IN THE USE OF THE NET PROCEEDS FROM THE GLOBAL OFFERING

According to the announcement of the Company dated 10 January 2025 (the "Change in UOP Announcement"), the Board informed the shareholders of the Company that the net proceeds from the Global Offering which remained unutilised as of 31 December 2024 were approximately HK$47.3 million (the "Unutilised Net Proceeds"). Having considered the reasons set out in the sub-paragraph headed "Reasons for the updated expected timetable and the change in the use of the net proceeds from the Global Offering" in the Change in UOP Announcement, the Board has resolved to extend the expected deadline for the use of the Unutilised Net Proceeds and change the use of the Unutilised Net Proceeds. The following table illustrates the status of the use of net proceeds according to the revised use in the Change in UOP Announcement as at 30 June 2025:

Intended use of net proceeds from the Global Offering	Approximate percentage of total amount	Allocation of net proceeds as disclosed in the Prospectus *(RMB million) (approximately)*	Revised allocation of the Unutilised Net Proceeds *(RMB million) (approximately)*	Actual utilised amount as at 30 June 2025 *(RMB million) (approximately)*	Unutilised Net Proceeds as at 30 June 2025 *(RMB million) (approximately)*
Strengthening the Group's product development capacity and diversifying the Group's product portfolio	51.4%	50.7	9.5	9.0	0.5
Accelerating the development of the Group's hardware design capabilities through acquisition of integrated circuit design company	16.8%	16.6	–	–	–
Increasing the Group's presence in the compatible cartridge industry through forward vertical expansion	16.8%	16.6	–	–	–
Increasing the Group's presence in the compatible cartridge industry through online channels	–	–	30.30	3.3	27.0
Stepping up the Group's sales and marketing efforts to cater for the expansion of the Group's product offerings	2.5%	2.5	–	–	–
Improving the functionality of the Group's back office to support its business growth	2.5%	2.5	–	–	–
General working capital	10.0%	9.9	4.0	1.0	3.0
Total:	100%	98.5	43.8	13.3	30.5

Note: The figures in the above table are subject to rounding adjustments. The discrepancy (if any) between totals and sums of separate figures listed are due to rounding adjustments.

For further details, please refer to the Change in UOP Announcement and the annual report of the Company for the year ended 31 December 2024.

The revised timetable to use the Unutilised Net Proceeds is based on the Directors' best estimation, barring any unforeseen circumstances, and it may be subject to change based on the market conditions. In the event of any material change in the timetable of the use of the Unutilised Net Proceeds, the Company will make appropriate announcement(s) in due course.

CORPORATE GOVERNANCE PRACTICES

The Board strives to uphold the principles of corporate governance set out in the CG Code contained in Appendix C1 to the Listing Rules, and adopted various measures to enhance the internal control system, the Directors' continuing professional training and other areas of practice of the Company. While the Board strives to maintain a high level of corporate governance, it also works hard to create value and achieve maximum return for its Shareholders. The Board will continue to conduct review and improve the quality of corporate governance practices with reference to local and international standards.

During the Relevant Period, the Company complied with the code provisions as set out in Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code") as its own code governing securities transactions of the Directors.

Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Relevant Period.

REVIEW BY AUDIT COMMITTEE

We established the Audit Committee on 26 February 2021 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code.

The Audit Committee has three members, namely Mr. Li Huaxiong, Mr. Chen Mark Da-jiang and Mr. Kao Yi-Ping, all being our Independent Non-executive Directors. Mr. Li Huaxiong has been appointed as the chairman of the Audit Committee, and is the Independent Non-executive Director possessing the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The financial statements in this announcement have been reviewed but not been audited by the auditor of the Company, BDO Limited. The Audit Committee has reviewed with the management of the Company the unaudited financial statements, the interim results announcement and the interim report of the Company for the Relevant Period and agreed with the accounting treatments adopted by the Company, and was of the opinion that the preparation of the financial statements of the Company for the Relevant Period complies with the applicable accounting standards and the requirements under the Listing Rules and adequate disclosures have been made.

EVENTS AFTER THE RELEVANT PERIOD

There is no material event after the Relevant Period and up to the date of approving this announcement.

DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of our Board
"BDO Limited"	BDO Limited Certified Public Accountants
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"China" or "PRC"	the People's Republic of China and, for the sole purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Company"	MEGAIN Holding (Cayman) Co., Ltd. (美佳音控股有限公司*), an exempted company incorporated in the Cayman Islands with limited liability on 22 June 2016, which is the holding company of our Group and the Shares of which are listed on the Main Board
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Corporate Governance Code(s)" or "CG Code(s)"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
"Director(s)"	the director(s) of our Company
"Executive Director"	the executive director of our Company
"GLC"	GOOD LOYAL CORPORATION (忠好有限公司), a company incorporated in the BVI with limited liability on 7 July 2017 and wholly owned by Mr. Yu, a substantial shareholder of our Company
"Global Offering"	the offer of 37,500,000 new Shares for subscription by the public in Hong Kong and the conditional placing of 87,500,000 new Shares to international investors by our Company at the offer price of HKD1.26

"GMTL"	GLOBAL MEGAIN TECHNOLOGY PTE. LTD., an international business company incorporated in Belize on 23 December 2014 and wholly owned by Mr. Cheng, and a substantial shareholder of our Company
"Group"	the Company and its subsidiaries
"HK$", "HKD" or "Hong Kong Dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IC"	integrated circuit, a set of electronic circuits where all the elements of the circuit are integrated together on a single semiconductor chipset
"Independent Non-executive Director(s)"	independent non-executive director(s) of our Company
"IoT"	Internet of Things, being a system of interrelated computing devices, mechanical and digital machines, objects and people with the ability to transfer data over a network; the system includes physical devices, vehicles, home appliances and other items embedded with electronics, software, sensors and actuators, which enables these objects to connect, collect and exchange data through various communication protocols
"Listing"	the listing of the Shares on the Main Board
"Listing Date"	31 March 2021, the date on which the Shares are listed and dealings in the Shares first commenced on the Main Board
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, modified or supplemented from time to time
"Main Board"	the Main Board of the Stock Exchange
"Mr. Cheng"	Mr. Cheng Hsien-Wei (鄭憲徽), an Executive Director, the chairman of our Board and a substantial shareholder of our Company
"Mr. Lam"	Mr. Lam Tsz Leung (林子良), a Non-executive Director and a substantial shareholder of our Company
"Mr. Yu"	Mr. Yu Yiding (余一丁), a substantial shareholder of our Company

"Non-executive Director(s)"	non-executive director(s) of our Company
"Prospectus"	the prospectus of the Company dated 18 March 2021 in relation to the Global Offering and the Listing
"Relevant Period"	the six months ended 30 June 2025
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) with a par value of HK$0.01 each in the share capital of our Company
"Share Option Scheme"	the share option scheme conditionally adopted by our Company on 26 February 2021
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules, unless the context otherwise requires
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"US"	the United States of America
"US$" or "USD"	United States dollars, the lawful currency of the United States
"Zhuhai Megain"	Zhuhai Megain Technology Co., Ltd.* (珠海美佳音科技有限公司), a company incorporated in the PRC with limited liability on 13 September 2010 and an indirect wholly-owned subsidiary of our Company
"%"	per cent

By Order of the Board
MEGAIN Holding (Cayman) Co., Ltd.
Cheng Hsien-Wei
Chairman

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises Mr. Cheng Hsien-Wei as Executive Director; Mr. Lam Tsz Leung and Ms. Yu Erhao as Non-executive Directors; and Mr. Chen Mark Da-Jiang, Mr. Kao Yi-Ping and Mr. Li Huaxiong as Independent Non-executive Directors.

* *For identification purpose only*