Cowell e Holdings Inc.
高偉電子控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1415)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

HIGHLIGHTS

Our revenue for the six months ended 30 June 2026 reached approximately US$1,604,742,000, representing an increase of approximately 18.0% as compared with the corresponding period ended 30 June 2025.

Our net profit attributable to equity shareholders of the Company for the six months ended 30 June 2026 reached approximately US$89,874,000, representing an increase of approximately 33.3% as compared with that for the six months ended 30 June 2025; whereas our net profit attributable to equity shareholders of the Company for the six months ended 30 June 2025 was approximately US$67,398,000.

Basic earnings per share for the six months ended 30 June 2026 was US10.4 cents, representing an increase of approximately 33.3% as compared with that for the six months ended 30 June 2025; whereas basic earnings per share for the six months ended 30 June 2025 was US7.8 cents.

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Cowell e Holdings Inc. (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**") together with comparative figures for the six months ended 30 June 2025. The interim financial report is unaudited, but has been reviewed by the Company's auditor, KPMG, 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 Hong Kong Institute of Certified Public Accountants, whose independent review report will be included in the interim report of the Company for the Reporting Period to be despatched to the shareholders of the Company (the "**Shareholders**"). The interim financial results have also been reviewed with no disagreement by the audit committee (the "**Audit Committee**") of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS — UNAUDITED

(Expressed in United States dollars)

		Six months ended 30 June	
	Note	**2026**	2025
		$'000	*$'000*
Revenue	*3 & 4*	**1,604,742**	1,360,302
Cost of sales		**(1,424,635)**	(1,204,625)
Gross profit		**180,107**	155,677
Other income		**5,173**	9,573
Selling and distribution expenses		**(1,695)**	(2,114)
Administrative expenses		**(75,192)**	(68,433)
Profit from operations		**108,393**	94,703
Finance costs	*5(a)*	**(3,228)**	(9,572)
Share of loss of an associate		**(252)**	(115)
Profit before taxation	*5*	**104,913**	85,016
Income tax	*6*	**(15,290)**	(17,613)
Profit for the period		**89,623**	67,403
Attributable to:			
Equity shareholders of the Company		**89,874**	67,398
Non-controlling interests		**(251)**	5
Profit for the period		**89,623**	67,403
Earnings per share	*7*		
Basic		**$0.104**	$0.078
Diluted		**$0.101**	$0.075

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME — UNAUDITED

(Expressed in United States dollars)

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Profit for the period	**89,623**	67,403
Other comprehensive income for the period (after tax adjustments):		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements	**25,362**	4,040
Item that will not be reclassified to profit or loss:		
Remeasurement of net defined benefit obligation	**1**	(12)
Other comprehensive income for the period	**25,363**	4,028
Total comprehensive income for the period	**114,986**	71,431
Attributable to:		
Equity shareholders of the Company	**115,053**	71,395
Non-controlling interests	**(67)**	36
Total comprehensive income for the period	**114,986**	71,431

CONSOLIDATED STATEMENT OF FINANCIAL POSITION — UNAUDITED

(Expressed in United States dollars)

	Note	At 30 June 2026 $'000	At 31 December 2025 $'000
Non-current assets			
Property, plant and equipment	*8*	**379,854**	367,392
Intangible assets		**800**	1,065
Interest in an associate		**8,358**	8,348
Prepayments and other receivables		**20,243**	13,747
Net defined benefit retirement obligation		**26**	—
Deferred tax assets		**12,657**	13,867
		421,938	404,419
Current assets			
Inventories		**217,875**	231,337
Trade and other receivables	*9*	**404,263**	600,582
Current tax recoverable		—	3
Bank deposits with more than three months to maturity when placed		**66,071**	157,922
Cash and cash equivalents		**403,963**	149,439
		1,092,172	1,139,283
Current liabilities			
Trade and other payables	*10*	**512,690**	635,364
Bank loans		**133,840**	29,573
Lease liabilities		**4,922**	5,146
Current tax payable		**4,936**	5,349
		656,388	675,432
Net current assets		**435,784**	463,851

CONSOLIDATED STATEMENT OF FINANCIAL POSITION — UNAUDITED (CONTINUED)

(Expressed in United States dollars)

	Note	At **30 June 2026** ***$'000***	At 31 December 2025 *$'000*
Total assets less current liabilities		**857,722**	868,270
Non-current liabilities			
Bank loans		**8,004**	101,912
Lease liabilities		**29,245**	30,852
Net defined benefit retirement obligation		**—**	14
Deferred income		**7,822**	4,061
		45,071	136,839
NET ASSETS		**812,651**	731,431
CAPITAL AND RESERVES			
Share capital		**3,476**	3,473
Reserves		**803,939**	722,655
Total equity attributable to equity shareholders of the Company		**807,415**	726,128
Non-controlling interests		**5,236**	5,303
TOTAL EQUITY		**812,651**	731,431

NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

(Expressed in United States dollars unless otherwise indicated)

1 BASIS OF PREPARATION

The interim financial information set out in this announcement does not constitute the interim financial report of the Group for the six months ended 30 June 2026 but is extracted from that interim financial report which has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), including compliance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("**IASB**"). It was authorised for issue on 17 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The financial information relating to the financial year ended 31 December 2025 that is included in this announcement of the interim results and in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

2 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: Disclosures — Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements.

The amendments to IFRS 9, *Financial instruments* and IFRS 7, *Financial instruments: Disclosures — Amendments to the classification and measurement of financial instruments* do not have a material effect on the Group's results and financial position prepared or presented in the interim financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

The principal activities of the Group are manufacturing and sale of camera module and optical components. Revenue represents the sales value of goods supplied to customers and excludes value added tax or other sales taxes and is after deduction of any trade discounts.

The Group's customer base includes one customer (2025: one customer), with whom transactions have exceeded 10% of the Group's revenue, for the six months ended 30 June 2026. Revenues from sales to this customer during the reporting period are set out below.

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Largest customer	**1,593,338**	1,334,437
— Percentage of total revenue	**99.3%**	98.1%

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group only has a single reportable segment.

Disaggregation of revenue by geographical location of customers is as follows:

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
The People's Republic of China ("**PRC**") (including Hong Kong)	**1,480,280**	1,230,772
The Republic of Korea ("**Korea**")	**599**	600
India	**23,595**	59,673
Vietnam	**100,268**	69,257
	1,604,742	1,360,302

4 SEASONALITY OF OPERATIONS

The Group on average experiences higher sales in the fourth quarter, compared to other quarters in the year, due to the increased retail demand for its products during the holiday season. As a result, the Group typically reports lower revenues and segment results for the first half of the year than the second half.

For the twelve months ended 30 June 2026, the Group recorded a revenue of $3,744,494,000 (twelve months ended 30 June 2025: $3,268,626,000), and gross profit of $383,158,000 (twelve months ended 30 June 2025: $375,043,000).

5 PROFIT BEFORE TAXATION

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

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
(a) Finance costs		
Interest on bank loans	**2,374**	8,676
Interest on lease liabilities	**854**	896
	3,228	9,572
(b) Other items		
Amortisation	**251**	248
Depreciation	**35,708**	32,203
Research and development costs (other than depreciation and amortisation)	**55,004**	54,330
Interest income	**(9,692)**	(4,497)
Net loss on disposal of property, plant and equipment	**2,630**	3,134
Reversal of loss allowance for expected credit loss	**—**	(519)

6 INCOME TAX

(a) Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Current tax — Hong Kong Profits Tax	**1,491**	7,099
Current tax — Outside Hong Kong	**11,966**	(50)
Withholding tax on dividend income outside Hong Kong	**—**	10,000
Deferred taxation	**1,833**	564
Income tax expenses	**15,290**	17,613

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

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2025: 16.5%) for the six months ended 30 June 2026, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

Pursuant to the Administrative Measures for Recognition of High-New Technology Enterprise ("**HNTE**") jointly issued by the Ministry of Science and Technology, the Ministry of Finance and the State Administration of Taxation, Dongguan Cowell Optic Electronics Co., Ltd., an indirect wholly owned subsidiary of the Company, was certified as a HNTE. According to the provisions of Article 28 "Corporate Income Tax Law of the People's Republic of China", the effective Corporate Income Tax ("**CIT**") rate for 2026 and 2025 was subject to a reduced tax rate of 15%. Other PRC subsidiaries were subject to statutory tax rate of 25%.

Under the tax law in Korea, the statutory corporate tax rate applicable to the subsidiary in Korea is 10% for assessable income below Korean Won ("**KRW**") 200 million, 20% for assessable income between KRW200 million and KRW20 billion, 22% for assessable income between KRW20 billion and KRW300 billion, and 25% for assessable income above KRW300 billion for 2026 (2025: 9% for assessable income below KRW200 million, 19% for assessable income between KRW200 million and KRW20 billion, 21% for assessable income between KRW20 billion and KRW300 billion, and 24% for assessable income above KRW300 billion).

Withholding tax on dividend received is charged at 5%.

(b) Pillar Two income tax

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("**Pillar Two model rules**") published by the Organisation for Economic Co-operation and Development.

The Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of $89,874,000 (six months ended 30 June 2025: $67,398,000) and weighted average of 860,912,000 ordinary shares (six months ended 30 June 2025: weighted average of 861,664,000 ordinary shares) in issue during the interim period.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of $89,874,000 (six months ended 30 June 2025: $67,398,000) and the weighted average number of ordinary shares of 887,717,000 (six months ended 30 June 2025: 896,699,000 shares).

8 PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2026, the Group renewed and entered into a number of lease agreements for use of factories, staff quarters and warehouses, and therefore recognised additions to right-of-use assets of $927,000 (six months ended 30 June 2025: $3,494,000). In addition, the Group disposed of right-of-use assets of $1,269,000 (six months ended 30 June 2025: $1,548,000), resulting in a gain on disposal of $10,000 (six months ended 30 June 2025: $47,000).

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired items of plant and equipment with a cost of $46,951,000 (six months ended 30 June 2025: $30,166,000). Items of plant and equipment with a net book value of $14,711,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: $4,656,000), resulting in a loss on disposal of $2,640,000 (six months ended 30 June 2025: $3,181,000).

9 TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance is as follows:

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Within 1 month	**343,405**	573,839
Over 1 to 2 months	**1,658**	3,347
Over 2 to 3 months	**2,886**	194
Over 3 months	**69**	815
Trade receivables, net of loss allowance	**348,018**	578,195
Other receivables and prepayments	**56,245**	22,387
	404,263	600,582

Trade receivables are due within 30 to 90 days from the date of billing.

10 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2026	At 31 December 2025
	$'000	*$'000*
Within 1 month	**411,266**	422,443
Over 1 to 3 months	**16,998**	103,812
Over 3 to 6 months	**5,740**	65,650
Trade payables	**434,004**	591,905
Accrued charges and other payables	**39,883**	43,459
Dividend payable	**38,803**	—
	512,690	635,364

11 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June	
	2026	2025
	$'000	*$'000*
Final dividend in respect of the previous financial year, approved during the interim period, of HK$0.35 per share (six months ended 30 June 2025: Nil)	**38,803**	—

The final dividend of HK$0.35 per ordinary share for the year ended 31 December 2025, totalling approximately HK$304,074,000 (equivalent to $38,803,000), was approved by shareholders at the annual general meeting of the Company held on 28 May 2026 and was paid on 3 July 2026.

(b) Equity settled share-based transactions

The Company has adopted a share option scheme pursuant to the shareholders' approval on 5 May 2021 (the "**Share Option Scheme**") and a share award scheme (the "**Share Award Scheme**") on 21 March 2024 pursuant to which the Directors and employees of the Group are entitled to participate.

During the six months ended 30 June 2026, no share options (six months ended 30 June 2025: no share options) were granted, 330,000 options (six months ended 30 June 2025: 454,000 options) were lapsed/cancelled, and 816,000 options (six months ended 30 June 2025: 672,000 options) were exercised under the Share Option Scheme.

During the six months ended 30 June 2026, 40,000 share awards (six months ended 30 June 2025: 400,000 share awards) were lapsed and no share awards were granted, vested, cancelled or exercised (six months ended 30 June 2025: Nil) under the Share Award Scheme. 10,184,000 share awards (six months ended 30 June 2025: 13,220,000 share awards) were outstanding as at 30 June 2026.

(c) Purchase of own shares

It represents the consideration paid for the ordinary shares of the Company purchased and held for Share Award Scheme. As at 30 June 2026, a total number of 7,487,600 (31 December 2025: 7,487,600) ordinary shares of the Company were held for Share Award Scheme. During the six months ended 30 June 2026, no ordinary shares of the Company were purchased by the trustee (six months ended 30 June 2025: 2,000,000 ordinary shares for a total amount of approximately HK$38,177,000 (equivalent to approximately $4,907,000)).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a supplier of delicate optical modules for electronic mobile devices, specialising in the design, development, manufacture and sale of optical modules and related components. Its products are widely used in smartphones, multimedia tablets, smart driving and other mobile terminal devices of internationally-renowned brand customers.

In the first half of 2026, the Group's precision optics business continued its positive growth momentum. Although global economic recovery still faces multiple challenges, including changes in geopolitics, trade environment and demand in the consumer electronics market, driven by the rapid adoption of spatial awareness, computational photography and edge artificial intelligence ("**AI**") capabilities, the smart device industry continues to accelerate its transition toward AI-driven intelligence. Brand manufacturers continue to prioritize enhancing imaging experiences and product differentiation to consolidate their positions in the high-end market, thereby opening up broader development opportunities for high-specification precision optical products. Leveraging its mature research and development ("**R&D**") system and process implementation capabilities, the Group continues to optimize its product mix and cost efficiency while strengthening customer loyalty and expanding collaboration with key clients. As a result, it has maintained its leading position and stable competitive advantage amid the industry's structural transformation.

The Group continues to focus on innovation in precision optical technology and the development of advanced manufacturing capabilities, fully leveraging its strengths in product R&D, manufacturing processes and mass production to actively support major global customers in new product development and mass production rollouts. Although prices of certain raw materials and components in the global consumer electronics supply chain remain volatile, with the price of storage fluctuating more significantly, overall demand and product planning from high-end brand clients have remained relatively stable due to their strong brand influence and product competitiveness, and the impact of price fluctuations has been relatively limited. Consequently, leveraging its robust supply chain management capabilities and long-term partnerships with key leading clients, the Group has maintained steady overall business growth.

Relying on its leading technology accumulation in the field of high-precision optical modules, the Group has been actively expanding its extended applications in emerging scenarios and deepening in-depth strategic synergies with its partners to transform its research and development outcomes into multi-terminal forms and continue to expand its market share, enhance its cross-cycle risk resilience and explore development opportunities for its long-term growth in the future.

The Group's revenue amounted to approximately US$1,604.7 million in the Reporting Period, representing an increase of approximately 18.0% as compared to the corresponding period in 2025, which was mainly attributable to the increase in customer demand, higher shipments of high-end products and continued optimization of the product mix.

The Group's net profit amounted to approximately US$89.6 million in the Reporting Period as compared with the net profit of approximately US$67.4 million in the first half of 2025.

OUTLOOK AND FUTURE STRATEGIES

According to the World Economic Outlook Update published by the International Monetary Fund (IMF) in July 2026, the global economic growth forecast has been revised from 3.3% at the beginning of the year to 3.0%. This reflects the pressure on economic activity caused by factors such as the war in the Middle East, fluctuations in energy prices and the fragmentation of global trade. However, investment in AI and the technology cycle continue to gain momentum, while capital expenditures in the technology sector remain robust. Demand in the semiconductor and other AI-related industries remains strong, providing some support to the global economy and partially offsetting the negative impact of regional conflicts. Overall, technological innovation and digital transformation continue to inject new growth momentum into the physical economy. Industrial upgrades in sectors such as AI, semiconductors, smart devices, and automation will become key drivers of global economic development in the medium to long term.

As the applications for optical technologies, such as smart devices, machine vision, micro-displays and automotive electronics, continue to expand, customer demand for optical technologies and precision manufacturing capabilities is rising in tandem. Companies with technological innovation and large-scale manufacturing capabilities are expected to continue benefiting from this industrial upgrade.

Among the businesses of the Group, optical modules are not only essential functional components of end products, but also serve as a critical foundational capability enabling numerous smart devices to perceive their environment and collect information. The Group also continues to monitor trends in the development of new types of smart devices. In particular, lightweight smart devices equipped with environmental perception and human-machine interaction capabilities are gradually emerging as a key area of exploration within the industry.

With the rapid development of AI technology, smart terminals are accelerating their evolution towards multi-modal interaction and real-time visual recognition. As on-device computing capacity continues to improve, AI mobile phones, AI PCs, edge intelligent devices and other application scenarios will continue to expand and gradually enter the stage of large-scale deployment. As seen in industry exhibitions such as the Consumer Electronics Show 2026 (CES 2026) and the Mobile World Congress (MWC 2026), the integration of AI with the physical world has moved beyond technological demonstrations toward practical deployment. Device form factors are becoming increasingly diverse, and new types of wearable devices (such as smart glasses) are rapidly transitioning from proof-of-concept to the early stages of commercialization, placing higher demands on visual perception and interaction capabilities. Against this backdrop, camera modules, as the core sensing components for environmental perception, are evolving toward higher-precision optical performance, more compact miniaturized designs, optimized power management and system-level adaptability across multiple scenarios. Keeping pace with industry trends, the Group continues to improve its technical capabilities to provide end customers with more competitive optical solutions.

At the same time, the Group is actively promoting the in-depth extension of AI technology from "product empowerment" to "system empowerment". The Group is continuously expanding the application of AI technology in core business areas such as operational management, R&D and innovation, and smart manufacturing. AI has gradually evolved from a standalone tool into an intelligent collaborative capability that spans multiple business processes, continuously enhancing decision-making efficiency and operational effectiveness in areas such as product R&D, engineering design, production scheduling, quality management and operational management. Meanwhile, the Group is actively promoting the in-depth integration of industrial data, intelligent algorithms and manufacturing scenarios to accelerate the conversion of data assets into productivity. These applications have further enhanced the efficiency of collaboration across R&D, manufacturing and the supply chain, continuously strengthening the Group's competitive edge in smart manufacturing. Through this in-depth integration of "data-driven, AI collaboration and manufacturing", the Group is gradually building an insurmountable technological barrier to competition, realising the leap from traditional scale expansion to a high-quality and high operational leverage growth model and ensuring that we can always maintain excellent profit quality and strategic initiative in the competition along the global industrial chain.

In addition, in terms of display and advanced optics, the Group is highly concerned about the industrialisation progress of MicroLEDs and related miniaturised optical technologies. Combined with our own profound optical technology reserves, we have taken a prudent and proactive approach for the construction of related core competencies, aiming to ensure leading technological participation and market access in the evolution of new-generation high-performance displays and multi-dimensional sensory terminal forms through technological breakthroughs and industry synergies.

The Group will continue to strengthen its investment in R&D and deepen the construction of its technology platform to ensure a stable competitive edge in the face of industrial transformation. Adhering to the development strategy of "solidifying the core and extending capabilities", the Group will focus on strengthening the R&D synergy and large-scale delivery capability of high-end optical modules in its core business of consumer electronics. By optimising our product mix and manufacturing efficiency, we will strengthen and enhance our long-term competitive position in the supply chain system of our core customers.

Talent remains as the core resource for the Group's long-term development. In the future, the Group will continue to introduce and nurture high-end professionals in key technological areas, optimise its organisational structure and interdepartmental collaboration mechanism to support the development of multi-scenario and multi-product platforms, so as to better respond to the ever-escalating technological needs of our customers. The Group will continue to deepen the integration of R&D, process and manufacturing, and strengthen the synergistic enhancement between engineering and manufacturing capabilities and innovation capabilities, with a view to providing customers with stable and high-quality products and services.

Looking forward, the Group will continue to capitalize on the opportunities for industrial upgrading brought about by AI and the new wave of technological revolution. We will remain committed to the philosophy that innovation drives development, fully tap into the potential of our existing customers, actively expand into new blue-ocean markets, and continue to develop our technological expertise and capacity building. In the face of the global restructuring of industrial chains and the wave of intelligent transformation, the Group will promote technological innovation and business upgrades with a long-term perspective, creating greater value for customers and delivering long-term, stable returns to shareholders.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2026, the Group had total assets of approximately US$1,514.1 million (31 December 2025: US$1,543.7 million); net current assets of approximately US$435.8 million (31 December 2025: US$463.9 million) and total equity of approximately US$812.7 million (31 December 2025: US$731.4 million).

The Group continued to maintain a strong and solid financial position. As at 30 June 2026, the Group reported approximately US$404.0 million in unencumbered cash and cash equivalents. The Directors believe that the Group's current cash and cash equivalents and expected cash flow from operations will be sufficient to satisfy the current operational requirements of the Group. As at 30 June 2026, guarantee is provided by the Company and an intermediate holding company to secure the banking facilities of US$411.1 million granted to the Group (31 December 2025: US$398.4 million).

PLEDGE OF THE GROUP'S ASSETS

As at 30 June 2026, the Group did not have any encumbrances, mortgage, loan, charge on our assets (31 December 2025: Nil).

CAPITAL EXPENDITURES AND COMMITMENTS

The Group's capital expenditures (equivalent to the cash which the Group spent for purchasing property, plant and equipment) for the Reporting Period amounted to approximately US$49.1 million, compared with US$44.4 million for the six months ended 30 June 2025. The Group's capital expenditures in the Reporting Period mainly reflected purchases of additional equipment to produce more advanced flip-chip camera modules. The Group intends to fund the Group's planned future capital expenditures through a combination of cash flow from operating activities, bank loans and possible fund raising opportunities (if needed and when suitable).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no significant contingent liabilities.

HUMAN RESOURCES

The Group employed a total of approximately 7,274 employees as at 30 June 2026 (31 December 2025: 6,854). Total staff costs for the Reporting Period, excluding Directors' remuneration, was approximately US$65.6 million (six months ended 30 June 2025: US$61.8 million).

In particular, professional employment agencies located in Dongguan, Chinese Mainland, have been involved for purpose of hiring most of the Group's factory workers. The Group also provides living, entertainment, dining and training facilities for its employees. The scope of the training covers introduction of our human resources policy, health and safety, management skills and machine and equipment manuals as well as other various topics.

The Group has an emolument policy with respect to its long-term incentive schemes. The basis of determining emoluments payable to the Directors is made on a discretionary basis with reference to the Company's operating results, individual performance and comparable market statistics. Furthermore, the Board has delegated the remuneration committee of the Board to review and make decisions in respect of the remuneration packages and overall benefits for the Directors and senior management of the Company. The emolument policy of the Group is determined by the Board on the basis of their merit, qualifications and competence of the personnel.

Furthermore, to provide incentive or reward to our employees for their contribution to, and continuing efforts to promote the interests of, the Group with greater flexibility, the Group had adopted a new Share Option Scheme on 5 May 2021 (the "**Share Option Scheme**"). For the Reporting Period, 816,000 options had been exercised, 190,000 options had been cancelled and 140,000 options had been lapsed. During the six months ended 30 June 2025, 672,000 options were exercised, 274,000 options were cancelled and 180,000 options were lapsed. As at 30 June 2026, based on the number of options granted and which had not been exercised, cancelled and/or lapsed, the total number of Shares available for issue under the Share Option Scheme was 39,636,880, representing approximately 4.6% of the issued shares of the Company. For details of the Share Option Scheme, please refer to the circular of the Company dated 20 April 2021. The Board also approved the adoption of a share award scheme for the Company (the "**Share Award Scheme**") on 21 March 2024. The Share Award Scheme is a share award scheme pursuant to which existing ordinary shares of the Company will be purchased by the trustee of the scheme from the secondary market out of cash contributed by the Company and be held on trust for the selected employees until such shares are vested with the selected employees in accordance with the rules of the Share Award Scheme. The Share Award Scheme does not constitute a scheme involving issue of new shares as referred to in Chapter 17 of the Listing Rules and the adoption of the Share Award Scheme is not subject to the approval by the shareholders of the Company. For details of the Share Award Scheme, please refer to the financial report of the Company for the year ended 31 December 2025. For the Reporting Period, 40,000 share awards (six months ended 30 June 2025: 400,000 share awards) were lapsed and no share awards (six months ended 30 June 2025: Nil) were granted, vested, cancelled or exercised under the Share Award Scheme. 10,184,000 share awards (six months ended 30 June 2025: 13,220,000 share awards) were outstanding as at 30 June 2026. Subsequent to the Reporting Period, on 3 July 2026, the Company granted a total of 12,929,000 share awards pursuant to the rules of the Share Award Scheme. For further details, please refer to the announcement of the Company dated 3 July 2026.

SUPPLEMENTARY INFORMATION

Interim dividend

In response to future market changes and the investment required to develop new products, and in order to address the challenges posed by the growing multidimensional demands of customers and the changing market environment, the Board thus does not recommend any payment of an interim dividend for the Reporting Period (2025: Nil), so as to ensure that the Group can remain a leading position in business development in the field of optics.

Purchase, sale or redemption of the Company's listed securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

Corporate governance

The Board has reviewed the corporate governance of the Group in accordance with the code provisions (the "**Code Provisions**") of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**") and considered that, the Company was in compliance with the Code Provisions and had regulated its operation and carried out appropriate governance in accordance with the Code Provisions as set out in the CG Code during the Reporting Period.

Audit Committee

The Audit Committee has reviewed together with the management the accounting principles and policies adopted by the Group and the unaudited interim financial report for the Reporting Period. Based on this review, the Audit Committee was satisfied that the financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

Model Code of Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. All Directors have confirmed, following specific enquiry of all Directors that they have fully complied with the required standard of dealings as set out in the Model Code and the code of conduct regarding Directors' securities transactions adopted by the Company throughout the Reporting Period.

Significant events after the Reporting Period

There were no significant events affecting the Company nor any of its subsidiaries after the end of the Reporting Period and up to the date of this announcement requiring disclosure in this announcement.

Publication of 2026 interim results and interim report

The interim results announcement of the Company for the Reporting Period is published on the website of the Company (http://www.cowelleholdings.com) and the website of the Stock Exchange (http://www.hkexnews.hk). The interim report of the Company for the Reporting Period will be despatched to the Shareholders and will be available on the above websites in due course.

By order of the Board
Cowell e Holdings Inc.
Meng Yan
Chairman

Hong Kong, 17 August 2026

As at the date of this announcement, the Board comprises Mr. Meng Yan and Mr. Wu Ying-Cheng as executive Directors; Mr. Chen Han-Yang and Mr. Yang Li as non-executive Directors and Ms. Su Yen-Hsueh, Mr. Tsai Chen-Lung and Ms. Liu Xia as independent non-executive Directors.