RAYMOND Industrial Ltd
利民實業有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 0229)

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

SUMMARY OF UNAUDITED FINANCIAL RESULTS

For the six months ended 30 June 2026

The board (the "**Board**") of directors (the "**Directors**") of Raymond Industrial Limited (the "**Company**") hereby announces the unaudited interim results for the six months ended 30 June 2026 of the Company and its subsidiaries (collectively, the "**Group**"). The condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2026 and the condensed consolidated statement of financial position of the Group as at 30 June 2026, along with selected explanatory notes, are unaudited but have been reviewed by the Company's audit committee (the "**Audit Committee**") together with the Company's independent auditor, RSM Hong Kong.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 June 2026
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
		2026	2025
		HK$'000	HK$'000
		(unaudited)	(unaudited)
	Note		
Revenue		**488,891**	530,704
Cost of sales		**(446,896)**	(453,100)
Gross profit		**41,995**	77,604
Other income and other gains and losses	*5*	**8,786**	18,772
Selling expenses		**(5,585)**	(6,525)
General and administrative expenses		**(53,169)**	(53,331)
(Loss)/profit before taxation		**(7,973)**	36,520
Income tax expense	*6*	**(2,583)**	(4,015)
(Loss)/profit for the period attributable to owners of the Company	*7*	**(10,556)**	32,505
(Loss)/earnings per share	*8*		
Basic, HK cents		**(2.11)**	6.48
Diluted, HK cents		**N/A**	N/A

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026
(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
(Loss)/profit for the period attributable to owners of the Company	**(10,556)**	32,505
Other comprehensive income:		
Item that may be reclassified to profit or loss:		
– Exchange differences on translation of financial statements of foreign operations	**9,732**	3,832
Total other comprehensive income for the period, net of tax	**9,732**	3,832
Total comprehensive income for the period attributable to owners of the Company	**(824)**	36,337

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

(Expressed in Hong Kong dollars)

	Note	**30 June 2026 HK$'000 (unaudited)**	31 December 2025 HK$'000 (audited)
Non-current assets			
Property, plant and equipment	*10*	**176,398**	147,180
Right-of-use assets	*10*	**5,128**	5,224
Investment properties	*11*	**34,200**	34,200
Deferred tax assets		**2**	502
Deposits paid for property, plant and equipment		**4,036**	3,049
		219,764	190,155
Current assets			
Inventories		**140,701**	132,802
Trade and other receivables	*12*	**295,046**	297,030
Current tax assets		**2,695**	1,991
Bank and cash balances		**239,959**	285,591
		678,401	717,414
Current liabilities			
Trade and other payables	*13*	**242,217**	238,207
Dividends payable		**440**	386
Current tax liabilities		**2,441**	69
		245,098	238,662
Net current assets		**433,303**	478,752
Total assets less current liabilities		**653,067**	668,907
Non-current liabilities			
Deferred tax liabilities		**172**	148
NET ASSETS		**652,895**	668,759
Capital and reserves			
Share capital		**467,676**	467,676
Reserves		**185,219**	201,083
TOTAL EQUITY		**652,895**	668,759

Notes:

1. BASIS OF PREPARATION

These condensed financial information has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 December 2025 that is included in these unaudited condensed financial statements for the six months ended 30 June 2026 as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 622(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622).

The Company's auditor has reported on those consolidated financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance (Cap. 622).

These condensed financial statements should be read in conjunction with the 2025 annual financial statements. Except as described below, the accounting policies (including the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2025.

2. NEW AND REVISED HKFRS ACCOUNTING STANDARDS

(a) New and revised standards adopted by the Group

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2026 but they do not have a material effect on the Group's financial statements.

(b) Impact of new and amended standards issued but not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for the financial reporting periods commencing on or after 1 January 2026 and have not been early adopted by the Group.

	Effective for accounting periods beginning on or after
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

2. NEW AND REVISED HKFRS ACCOUNTING STANDARDS (Continued)

(b) Impact of new and amended standards issued but not yet adopted by the Group (Continued)

HKFRS 18, which is relevant to the Group, will replace HKAS 1 "Presentation of financial statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the consolidated financial statements.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group's consolidated statement of profit or loss, the consolidated statement of cash flows and the additional disclosures required for management-defined performance measures. The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the above-mentioned changes in presentation and disclosure, these pronouncements are not expected to have a material impact on the results or the financial position of the Group.

3. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The following table shows the carrying amounts and fair value of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

3. FAIR VALUE MEASUREMENTS (Continued)

(a) Disclosures of level in fair value hierarchy:

Description	Fair value measurements as at 30 June 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Recurring fair value measurements:				
Investment properties:				
Office and warehouse - Hong Kong	**-**	**-**	**34,200**	**34,200**

Description	Fair value measurements as at 31 December 2025			
	Level 1	Level 2	Level 3	Total
	HK$'000	HK$'000	HK$'000	HK$'000
	(audited)	(audited)	(audited)	(audited)
Recurring fair value measurements:				
Investment properties:				
Office and warehouse - Hong Kong	-	-	34,200	34,200

(b) Reconciliation of assets measured at fair value based on level 3:

Description	**Investment properties**	
	30 June 2026	31 December 2025
	HK$'000	HK$'000
	(unaudited)	(audited)
At beginning of period/year	**34,200**	32,800
Total gains or losses recognised in profit or loss (#)	**-**	1,400
At end of period/year	**34,200**	34,200
(#) Include fair value changes for assets held at end of reporting period/year	**-**	1,400

The fair value changes recognised in profit or loss including those for assets held at the end of reporting period are presented in other net income in the consolidated statement of profit or loss.

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 30 June 2026:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

3. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 30 June 2026 (Continued):

Level 3 fair value measurements

Description	**Valuation technique**	**Unobservable inputs**	**Range**	**Effect on fair value for increase of inputs**	**Fair value at**	
					30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Office and warehouse located in Hong Kong	Income capitalisation approach	Market yield	4.3%	Decrease		
		Monthly market rent	HK$4,864-HK$6,900 per square foot per month	Increase	**34,200**	34,200

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no significant changes in the valuation techniques used.

4. SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of electrical home appliances. The electrical home appliances are manufactured within the Group's manufacturing facilities located in the PRC. The Group's operating segments are determined based on information reported to the senior executive management, being the chief operating decision maker of the Group for the purposes of resource allocation and assessment of segment performance, focused on customer locations.

The identified reportable operating segments are as follows:

- Asia – mainly including the PRC, Korea, and Japan
- Europe – mainly including the United Kingdom and Netherlands
- Latin America – mainly including Mexico
- North America – mainly including the United States of America and Canada

For the operating segments of Australia and Africa, they have been included within the "rest of the world" due to neither of these operating segments meeting the quantitative thresholds required for classification as reportable segments.

4. SEGMENT INFORMATION (Continued)

(a) Segment profit or loss, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Electrical home appliances					
	Asia	**Europe**	**Latin America**	**North America**	**Rest of the world**	**Total**
For the six months ended 30 June	**2026 HK$'000 (unaudited)**	**2026 HK$'000 (unaudited)**	**2026 HK$'000 (unaudited)**	**2026 HK$'000 (unaudited)**	**2026 HK$'000 (unaudited)**	**2026 HK$'000 (unaudited)**
Total reportable segment revenue recognised at a point in time	**133,339**	**146,923**	**97,265**	**99,032**	**12,332**	**488,891**
Total reportable segment (loss)/profit (adjusted EBITDA)	**(29,211)**	**(29)**	**25,067**	**10,921**	**(1,071)**	**5,677**
As at 30 June (unaudited)						
Total reportable segment assets	**895,468**	**-**	**-**	**-**	**-**	**895,468**
Total reportable segment liabilities	**(242,217)**	**-**	**-**	**-**	**-**	**(242,217)**
Addition to non-current segment assets	**41,348**	**-**	**-**	**-**	**-**	**41,348**

	Electrical home appliances					
	Asia	Europe	Latin America	North America	Rest of the world	Total
For the six months ended 30 June	2025 HK$'000 (unaudited)	2025 HK$'000 (unaudited)	2025 HK$'000 (unaudited)	2025 HK$'000 (unaudited)	2025 HK$'000 (unaudited)	2025 HK$'000 (unaudited)
Total reportable segment revenue recognised at a point in time	132,127	135,514	113,950	126,767	22,346	530,704
Total reportable segment profit (adjusted EBITDA)	9,470	18,014	9,616	4,876	728	42,704
As at 31 December (audited)						
Total reportable segment assets	905,076	-	-	-	-	905,076
Total reportable segment liabilities	(238,207)	-	-	-	-	(238,207)
Addition to non-current segment assets	51,501	-	-	-	-	51,501

4. SEGMENT INFORMATION (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Revenue		
Consolidated revenue	**488,891**	530,704

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Profit or loss		
Total reportable segment profit (adjusted EBITDA)	**5,677**	42,704
Bank interest income	**4,433**	7,171
Depreciation	**(18,083)**	(13,355)
Consolidated (loss)/profit before taxation	**(7,973)**	36,520

4. SEGMENT INFORMATION (Continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (Continued)

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Assets		
Total reportable segment assets	**895,468**	905,076
Current tax assets	**2,695**	1,991
Deferred tax assets	**2**	502
Consolidated total assets	**898,165**	907,569

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Liabilities		
Total reportable segment liabilities	**(242,217)**	(238,207)
Dividends payable	**(440)**	(386)
Current tax liabilities	**(2,441)**	(69)
Deferred tax liabilities	**(172)**	(148)
Consolidated total liabilities	**(245,270)**	(238,810)

5. OTHER INCOME AND OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Bank interest income	**4,433**	7,171
Sales of raw material	**59**	-
Cost of raw material sales	**(186)**	(3)
Net loss on raw material sales	**(127)**	(3)
Net exchange (loss)/gain	**(1,704)**	9,153
Net gain/(loss) on disposal of property, plant and equipment	**687**	(159)
Gross income on disposal of scrap materials	**733**	645
Rental income	**612**	612
Government grants	**166**	1,720
Technical support income	**1,029**	-
Royalty income	**3,200**	-
Sundry loss	**(243)**	(367)
	8,786	18,772

6. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as follows:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Current tax – Hong Kong Profits Tax		
Provision for the period	**3,132**	1,579
Current tax – PRC Enterprise Income Tax		
Provision for the period	**-**	2,653
Over-provision in respect of prior years	**(1,083)**	(947)
	(1,083)	1,706
Deferred tax		
Origination and reversal of temporary differences	**534**	730
Income tax expense	**2,583**	4,015

Note:

(i) Hong Kong Profits Tax

Under the two-tiered Profits Tax rate regime, the first HK$2,000,000 of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25%, and profit above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered Profits Tax rate regime will continue to be taxed at a rate of 16.5%.

(ii) PRC Enterprise Income Tax

A subsidiary in the PRC was qualified as a high and new technology enterprise and taxed at a preferential tax rate of 15% (six months ended 30 June 2025: 15%).

7. (LOSS)/PROFIT FOR THE PERIOD

The Group's (loss)/profit for the period is stated at after charging/(crediting) the following:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
(a) Staff costs (including directors' remunerations)		
Salaries, wages and other benefits	**104,080**	98,931
Discretionary bonuses	**-**	3,951
Contributions to defined contribution retirement plans	**11,157**	9,185
	115,237	112,067

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
(b) Other items		
Cost of sales#	**480,886**	453,100
Depreciation of right-of-use assets	**242**	214
Depreciation of property, plant and equipment	**17,841**	13,141
Direct operating expenses of investment properties that generate rental income	**126**	123
Product development costs*	**18,623**	18,660
(Gain)/Loss on disposal/written off of property, plant and equipment	**(687)**	2,737

Cost of sales includes approximately HK$96,986,000 (six months ended 30 June 2025: HK$89,276,000) relating to staff costs and depreciation, of which amounts are also included in the respective total amounts disclosed separately above.

* Product development costs include approximately HK$14,668,000 (six months ended 30 June 2025: HK$13,177,000) relating to staff costs and depreciation, which recorded to general and administrative expenses are also included in the respective total amounts disclosed separately above.

8. (LOSS)/EARNINGS PER SHARE

The calculation of basic loss (six month ended 30 June 2025: earnings) per share is based on the loss for the period attributable to shareholders of the Company of approximately HK$10,556,000 (six months ended 30 June 2025: profit of HK$32,505,000) and the weighted average number of ordinary shares of approximately 501,325,000 (six months ended 30 June 2025: 501,325,000) shares in issue during the interim period.

No diluted loss (six months ended 30 June 2025: earnings) per share is presented as the Company did not have any dilutive potential ordinary shares during the six month ended 30 June 2026 and 2025.

9. DIVIDENDS

(i) Dividends payable to shareholders of the Company attributable to the interim period

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Interim dividend declared and approved after the interim period of 1 HK cent per ordinary share (six months ended 30 June 2025: 4 HK cents per ordinary share)	**5,013**	20,053

The interim dividend has not been recognised as a liability at the end of the reporting period.

(ii) Dividends payable to shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Final dividend in respect of the previous financial year ended 31 December 2025, approved and paid during the interim period, of 3 HK cents per ordinary share (31 December 2024: 2 HK cents per ordinary share)	**15,040**	10,027
No special dividend in respect of the previous financial year ended 31 December 2025, approved and paid during the interim period (31 December 2024: 6 HK cents per ordinary share)	**-**	30,079
	15,040	40,106

10. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Property, plant and equipment	Right-of-use assets (note)	Total
	HK$'000	HK$'000	HK$'000
Cost			
At 31 December 2025 (audited) and 1 January 2026 (unaudited)	391,706	18,177	409,883
Additions	41,348	-	41,348
Disposals/written off	(24,879)	-	(24,879)
Exchange adjustments	13,170	577	13,747
At 30 June 2026 (unaudited)	421,345	18,754	440,099
Accumulated depreciation			
At 31 December 2025 (audited) and 1 January 2026 (unaudited)	244,526	12,953	257,479
Charge for the period	17,841	242	18,083
Disposals/written off	(24,768)	-	(24,768)
Exchange adjustments	7,348	431	7,779
At 30 June 2026 (unaudited)	244,947	13,626	258,573
Net carrying value			
At 30 June 2026 (unaudited)	176,398	5,128	181,526
At 31 December 2025 (audited)	147,180	5,224	152,404

Note:

Right-of-use assets represent leasehold land under medium-term leases.

11. INVESTMENT PROPERTIES

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
At beginning of period/year	**34,200**	32,800
Fair value changes recognised in profit or loss	**-**	1,400
At end of period/year	**34,200**	34,200

Investment properties were revalued at 31 December 2025 on income capitalisation method. The valuations were performed by the external independent valuer. Details can be found in 2025 annual financial statements.

Management considered that there were no material changes to the fair value of investment properties during the six months period ended 30 June 2026.

12. TRADE AND OTHER RECEIVABLES

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Trade receivables	**264,283**	269,411
Other receivables	**16,768**	20,428
Deposits and prepayments	**13,995**	7,191
Deposits paid for property, plant and equipment	**4,036**	3,049
	299,082	300,079
Less: portion classified as non-current assets	**(4,036)**	(3,049)
Portion classified as current assets	**295,046**	297,030

12. TRADE AND OTHER RECEIVABLES (Continued)

The ageing analysis of trade receivables as of the end of the reporting period, based on invoice date, is as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within 1 month	**77,391**	82,366
More than 1 month but less than 3 months	**137,081**	117,778
More than 3 months but less than 6 months	**47,698**	68,601
More than 6 months but less than 12 months	**1,524**	549
Over 12 months	**589**	117
	264,283	269,411

Trade receivables are normally due within 30 to 120 days from the date of billing.

13. TRADE AND OTHER PAYABLES

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Trade payables	**173,185**	176,141
Accrued charges and other payables	**69,032**	62,066
	242,217	238,207

The ageing analysis of trade payables as of the end of the reporting period, based on invoice date, is as follows:

	30 June 2026 HK$'000 (unaudited)	31 December 2025 HK$'000 (audited)
Within 1 month	**63,152**	72,257
More than 1 month but less than 3 months	**99,687**	89,323
More than 3 months but less than 12 months	**9,114**	13,304
Over 12 months	**1,232**	1,257
	173,185	176,141

INTERIM DIVIDEND

At the Board meeting held on 21 August 2026, the Board declared an interim dividend of 1 Hong Kong cent (corresponding period in 2025: 4 Hong Kong cents) per ordinary share.

CLOSURE OF REGISTER OF MEMBERS

The book of transfers and register of members of the Company (the "**Register of Members**") will be closed from Monday, 14 September 2026 to Wednesday, 16 September 2026, both days inclusive, during which period no transfer of shares will be registered.

In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by 4:30 p.m. on Friday, 11 September 2026. The interim dividend will be payable on or about Friday, 2 October 2026 to shareholders of the Company whose names appear on the Register of Members at the close of business on Wednesday, 16 September 2026.

BUSINESS HIGHLIGHTS

The Group's revenue was HK$488,891,000 in the first six months of 2026, representing a decrease of approximately 7.88% when compared with the revenue for the corresponding period in 2025 HK$530,704,000. The Group's net loss was HK$10,556,000, compared with the net profit of HK$32,505,000 for the corresponding period in 2025. The net loss was attributable to a series of unfavorable macroeconomic factors including but not limited to conflict in the Middle East that caused increase in energy and commodities prices, weak United States Dollars ("**USD**") and appreciating Renminbi ("**RMB**") that led to significant exchange loss; and increase in minimum wages and other operating costs.

During the first six months of 2026, the Group's management faced uncertainties arising from the high interest rates that caused continuous inflationary pressures and lower sales demand worldwide, and delayed launch of new products that caused margins to shrink for older products. To maintain sufficient cash flow further, the Group opted to exercise financial prudence to reduce safety stock for contingency planning and maintain sufficient parts for assembly in Indonesia, and to optimize fixed costs by investing in new machinery prudently to support launch of new products. Our management team expects to find new customers and discuss new opportunities to develop more new products during the second half of 2026 amid all the uncertainties around the world.

The U.S.-Iran conflict began on February 28, 2026, when joint U.S. and Israeli strikes killed Supreme Leader Ali Khamenei. After escalating to a multi-front war and a tense April ceasefire, the standoff renewed in July 2026 as Iran attempted to control commercial shipping in the Strait of Hormuz. As a result of the U.S.-Iran conflict, commodities prices such as plastics and copper have increased approximately 13% in the past six months; prices for lithium batteries and printed circuit board assembly and related electronic components have increased approximately 10% during same period; and packaging materials have also increased approximately 5%, increasing the average costs of raw materials consumed in our production process.

To avoid the impact of US tariffs, during the first six months of 2026, the Group doubled our production capacity in Batam with our manufacturing partner. To alleviate potential geopolitical risk, it is important that the Group has an overseas manufacturing facility where we can produce key products outside the People's Republic of China ("**PRC**") for our customers in case Sino-U.S. relationship deteriorates.

PROSPECTS IN THE SECOND HALF OF 2026

The Group's management anticipates strong challenges during the second half of 2026 due to continuous geopolitical tensions and economic uncertainties. The Group's management expects the toxic culture of "involution" in the PRC will increase domestic factories cost cutting competition resulting in diminishing returns if we do not innovate and carve out a niche market to develop new differentiated novel products. Furthermore, the Group's management needs to react quickly to formulate a new and effective strategy to counter the disruptive market forces emerging from the business ecosystem in which the Group operates. The Group's investment in research and development enables us to maintain the High and New Technology Enterprise status for the tenth consecutive year, and allows the Group to use new knowledge, patents and innovations to grow our business despite a punctuated equilibrium in the business ecosystem. The Group's management will remain resilient to tackle any immediate market downturns and form stronger partnership with our strategic customers to adapt to the new business ecosystem.

In the year 2026, the Group will continue to invest and promote computerization of manufacturing. The Group has started data migration from BAAN LN ERP system to KingDee ERP system, and integrated our new KingDee ERP system with MES system and new financial analytic software such as Microsoft Power BI to enable detailed financial analytics to help the Group's management team make wise decisions on important strategic tasks quickly and to unlock the Group's full operational potential. By analyzing the profit margins of different product lines, the cash and inventory real time positions, and the latest accounts receivables and payables status, the Group's management can address the entire value chain to open up new business opportunities, make more efficient use of working capital and better manage discretionary spending. Furthermore, the Group's management has started to use AI tools such as "Lark" to handle project management more effectively and efficiently. With the state-of-the art rejuvenated factory, enthusiastic management and workers, the Group's management strives to achieve greater results and to attain excellence in both operational and financial performance in the coming years.

In today's fast-changing business environment, building the right competencies across individuals and functions is essential to turn strategy into successful execution. Even with clear ambitions, organizations often struggle to deliver; not due to intent, but competency gaps that lead to misalignment, slow decision-making, and underleveraged talent. Our top management therefore defines the competencies required to execute strategy - across functions, levels, and roles; assesses current capability and diagnose gaps that hinder business performance; designs and implements competency models that embed future-ready behaviour into day-to-day execution; and enables capability-building programs that strengthen strategic alignment, agility, and ownership.

To maximize returns for our shareholders, the Group has moved to a smaller office in Hong Kong and rented out the old, bigger office and warehouse. At the same time, to alleviate the risk of increasing dependence on export to the U.S., our top management has implemented strategies to diversify risks and increase growth to expand into other markets. Such strategies inevitably required more investment in the early stages and may have negative impact on the results in the short term. Sowing and reaping never happens in the same season. Despite the setback during the first half of 2026, the Group's management firmly believes our strategies work in the right direction, and we will be patient, and hope the investors will be patient, to see the expected rewards in the future.

FINANCIAL REVIEW

The liquidity position of the Group was good. The current ratio of the Group was 2.77 as of 30 June 2026 (31 December 2025: 3.01). The quick ratio of the Group was 2.19 as of 30 June 2026 (31 December 2025: 2.45). The gearing ratio of the Group was 0.37 as of 30 June 2026 (31 December 2025: 0.36) which was computed by the trade and other payables over total equity.

Bank balances and cash were HK$239,959,000 as of 30 June 2026 (31 December 2025: approximately HK$285,591,000), representing a decrease of HK$45,632,000 compared with that for the corresponding period. The decrease was mainly attributable to a net cash outflow from operating activities of HK$10,478,000, purchases of property, plant and equipment amounting to HK$22,948,000, and dividends paid of HK$14,986,000, resulting in a lower cash balance.

There was no bank borrowing as of 30 June 2026 (31 December 2025: Nil), and the Group had no contingent liabilities as of 30 June 2026 (31 December 2025: Nil).

CHARGE ON ASSETS

The Group has no charges on assets as of 30 June 2026 (31 December 2025 Nil).

MATERIAL ACQUISITIONS AND DISPOSALS

The Company acquired two office units for self-use at an aggregate consideration of HK$9,503,800 in January 2026. Completion of the purchase of the office units took place in March 2026.

Save as disclosed above, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

FOREIGN EXCHANGE EXPOSURE

Most of the Group's transactions were conducted in the USD, Hong Kong dollars and RMB. The appreciation of RMB verses USD during the six months ended 30 June 2026 caused increase in our labour costs as Hong Kong dollars is our functional currency. The Group does not foresee any further exposure to foreign currency fluctuations and thus use of financial instruments for exchange rate hedging purpose is not considered.

STAFF

The Group currently employs approximately 20 Hong Kong staff members and provides them with the Mandatory Provident Fund Scheme. Our factory in the PRC employs approximately 590 to 599 staff members, and workers employed directly or indirectly ranged from 1,501 to 1,763 persons during the six months ended 30 June 2026.

The Group's remuneration policies remained the same as disclosed in the 2025 annual report.

The Group would like to extend its appreciation to all the staff members for their hard work and dedication to the Group throughout the period.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, certain leasehold properties of the Group with an aggregate carrying amount of approximately HK$1,365,000 were transferred from property, plant and equipment to investment properties following a change in use. The Group is currently in the process of engaging an independent professional valuer to assess the fair value of these properties as at the date of the change in use. Any revaluation surplus arising from the transfer, being owner-occupied properties to investment properties carried at fair value, will be recognised in other comprehensive income and accumulated in the revaluation reserve in the audited financial statements for the year ending 31 December 2026.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2026.

CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2026, the Company was in compliance with the applicable code provisions of the Corporate Governance Code ("**CG Code**") as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

COMPLIANCE WITH MODEL CODE

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 as its own code of conduct regarding securities transactions by the Directors and established written guidelines no less exacting than the Model Code for senior management and specified persons who are likely to possess inside information in relation to the Group. Having made specific enquiries with the Directors, all the Directors confirmed that they had complied with the required standards as set out in the Model Code during the six months ended 30 June 2026.

REMUNERATION COMMITTEE

A remuneration committee of the Company (the "**Remuneration Committee**") has been established in accordance with the requirements of the Listing Rules. The terms of reference of the Remuneration Committee were prepared and adopted with reference to the CG Code in paragraph E.1 of Appendix C1 to the Listing Rules. The Remuneration Committee comprises two executive Directors, namely Dr. Wong, Man Hin Raymond and Mr. Wong, Ying Man John; and three independent non-executive Directors ("**INEDs**"), namely Mr. Lo, Kwong Shun Wilson (chairman), Ms. Ling, Kit Sum Imma and Dr. Ko, Siu Fung Stephen.

AUDIT COMMITTEE

The terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to the CG Code in D.3 under Part 2 of Appendix C1 to the Listing Rules and "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee has reviewed the accounting practices and principles adopted by the Group and discussed the auditing, internal control, risk management and financial reporting matters with the management of the Group including the review of the interim results and the interim financial information for the six months ended 30 June 2026.

The Audit Committee comprises three INEDs, namely Ms. Ling, Kit Sum Imma (chairlady), Mr. Lo, Kwong Shun Wilson and Dr. Ko, Siu Fung Stephen.

NOMINATION COMMITTEE

A nomination committee of the Company (the "**Nomination Committee**") has been established in accordance with the requirements of the Listing Rules. The terms of reference of the Nomination Committee were prepared and adopted with reference to the CG Code in paragraph B.3 of Appendix C1 to the Listing Rules. The Nomination Committee comprises three INEDs, namely Mr. Lo, Kwong Shun Wilson (chairman), Ms. Ling, Kit Sum Imma and Dr. Ko, Siu Fung Stephen.

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

The 2026 interim financial information will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.raymondfinance.com) in due course.

By Order of the Board
WONG, Man Hin Raymond
Chairman

Hong Kong, 21 August 2026

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:
Dr. WONG, Man Hin Raymond
Mr. WONG, Ying Man John
Mr. MOK, Kin Hing
Dr. WONG, Yin Wai

Non-Executive Directors:
Dr. WONG, Kin Lae Wilson
Mr. WONG, Ying Kit David

Independent Non-Executive Directors:
Ms. LING, Kit Sum Imma
Mr. LO, Kwong Shun Wilson
Dr. KO, Siu Fung Stephen