Grown Up Group Investment Holdings Limited
植華集團投資控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1842)

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

FINANCIAL HIGHLIGHTS

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Financial Results	***HK$'000***	*HK$'000*
Revenue	**102,519**	146,959
Loss for the period	**(10,735)**	(8,466)
Basic loss per share *(HK cents)*	**(0.89)**	(0.71)
Diluted loss per share *(HK cents)*	**(0.89)**	(0.71)

	As at 30 June 2026	As at 31 December 2025
	(Unaudited)	(Audited)
Consolidated Statement of Financial Position	***HK$'000***	*HK$'000*
Non-current assets	**64,989**	65,721
Current assets	**130,881**	169,721
Total assets	**195,870**	235,442
Current liabilities	**92,772**	122,851
Non-current liabilities	**6,614**	7,265
Total liabilities	**99,386**	130,116
Net assets	**96,484**	105,326
Ratio Analysis		
Current ratio (times)	**1.4**	1.4
Gearing ratio	**56.2%**	56.3%

UNAUDITED INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Grown Up Group Investment Holdings Limited (the "**Company**") is pleased to present the unaudited interim condensed consolidated financial information of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the corresponding period in 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Six months ended 30 June	
	Notes	**2026**	2025
		(Unaudited)	(Unaudited)
		HK$'000	*HK$'000*
Revenue	*4*	**102,519**	146,959
Cost of sales	*6*	**(88,446)**	(123,905)
Gross profit		**14,073**	23,054
Other income and losses, net	*5*	**1,105**	(2,373)
Selling and distribution expenses	*6*	**(4,535)**	(6,141)
Administrative expenses	*6*	**(21,217)**	(22,350)
Loss from operations		**(10,574)**	(7,810)
Finance income	*7*	**83**	414
Finance costs	*7*	**(825)**	(1,426)
Finance costs, net	*7*	**(742)**	(1,012)
Loss before income tax		**(11,316)**	(8,822)
Income tax credit	*8*	**581**	356
Loss for the period		**(10,735)**	(8,466)
Other comprehensive gain/(loss):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**1,893**	(1,168)
Total comprehensive loss for the period		**(8,842)**	(9,634)
Loss per share attributable to owners of the Company for the period			
Basic and diluted *(HK cents)*	*9*	**(0.89)**	(0.71)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	**As at 30 June 2026 (Unaudited)** ***HK$'000***	As at 31 December 2025 (Audited) *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment	*10*	**18,781**	17,798
Right-of-use assets		**4,752**	5,550
Financial assets at fair value through profit or loss ("**FVTPL**")	*13*	**29,423**	28,906
Investment property		**–**	1,400
Intangible assets	*11*	**9,025**	9,059
Deferred tax assets		**3,008**	3,008
		64,989	65,721
Current assets			
Inventories		**18,209**	19,749
Trade receivables	*12*	**28,047**	54,147
Prepayments, deposits and other receivables		**8,709**	8,106
Financial assets at FVTPL	*13*	**7,994**	3,336
Tax recoverable		**888**	1,415
Pledged deposits		**12,657**	12,604
Cash at bank and on hand		**54,377**	70,364
		130,881	169,721
Total assets		**195,870**	235,442
EQUITY			
Capital and reserves			
Share capital	*16*	**12,000**	12,000
Other reserves		**53,895**	52,002
Retained earnings		**30,589**	41,324
Total equity		**96,484**	105,326

	Notes	As at 30 June 2026 (Unaudited) HK$'000	As at 31 December 2025 (Audited) HK$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		**2,429**	3,172
Bank borrowings	*15*	**4,185**	4,093
		6,614	7,265
Current liabilities			
Trade payables	*14*	**28,639**	55,656
Other payables and accruals		**8,620**	8,637
Contract liabilities		**3,740**	1,141
Lease liabilities		**1,724**	2,163
Bill payables	*14*	**17,067**	12,273
Bank borrowings and bank overdrafts	*15*	**32,982**	42,981
		92,772	122,851
Total liabilities		**99,386**	130,116
Total equity and liabilities		**195,870**	235,442

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Grown Up Group Investment Holdings Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands. The address of registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. Its principal place of business in Hong Kong is located at Flat D, 7/F., Block 2, Tai Ping Industrial Centre, 55 Ting Kok Road, Tai Po, N.T., Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries (collectively, the "**Group**") are designing, developing, sourcing, manufacturing and selling full range of bag, luggage and accessories, as well as medical related products, tool storage and tool accessories.

The interim condensed consolidated financial information is presented in thousands of Hong Kong dollars ("**HK$'000**"), unless otherwise stated.

This interim condensed consolidated financial information was approved for issue by the Board on 21 August 2026.

This interim condensed consolidated financial information has not been audited.

2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

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

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies and basis of preparation adopted in the preparation of this unaudited interim condensed consolidated financial information are consistent with those adopted in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

The HKICPA has issued certain new and revised Hong Kong Financial Reporting Standards. For those which are effective for accounting periods beginning on or after 1 January 2026, the adoption has no material impact on how the results and financial positions of the Group for the current and prior periods have been prepared and presented. For those which are not yet effective and have not been early adopted in prior accounting periods, the Group is in the process of assessing their impact on the Group's results and financial position.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The preparation of this unaudited interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this unaudited interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's financial statements for the year ended 31 December 2025.

4 REVENUE AND SEGMENT INFORMATION

During the six months ended 30 June 2026 and 2025, the Group's operating activities are attributable to a single reportable and operating segment focusing primarily on the designing, developing, sourcing, manufacturing and selling full range of bag, luggage and accessories, as well as medical related products, tool storage and tool accessories under the private label products segment. The private label products segment – private label products are produced and sold under both Original Equipment Manufacturer ("**OEM**") and Original Design Manufacturer ("**ODM**") businesses to the brand owners or their licensees. This operating segment has been identified on the basis of internal management reports reviewed by the management. The management mainly reviews revenue derived from the private label products segment. The management reviews the overall results of the Group as a whole to make decisions about resources allocation. Accordingly, no segment analysis is presented.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Sales of goods	**102,519**	146,959
Timing of revenue recognition		
— At a point in time	**102,519**	146,959

5 OTHER INCOME AND LOSSES, NET

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Rental income	**596**	265
Unrealised fair value gains/(losses) on financial assets at FVTPL, net	**321**	(2,863)
Realised fair value gains of financial assets at FVTPL, net	**–**	123
Gain on disposals of property, plant and equipment	**11**	–
Gain on disposal of investment property	**150**	–
Others	**27**	102
	1,105	(2,373)

6 EXPENSES BY NATURE

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**76,575**	108,494
Employee benefit expenses	**20,524**	23,899
Transportation and freight charges	**1,103**	1,694
Directors' emoluments	**5,777**	5,879
Depreciation of property, plant and equipment	**611**	1,055
Depreciation of right-of-use assets	**798**	1,058
Amortisation of intangible assets	**105**	186
Legal and professional fees	**1,260**	1,352
Sales and marketing expenses	**1,506**	2,177
Others	**5,939**	6,602
	114,198	152,396
Representing:		
Cost of sales	**88,446**	123,905
Selling and distribution expenses	**4,535**	6,141
Administrative expenses	**21,217**	22,350
	114,198	152,396

7 FINANCE COSTS, NET

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Finance income		
— Interest income from bank deposits	**83**	414
Finance costs		
— Interest expenses on bank borrowings and bank overdrafts	**(713)**	(1,299)
— Interest expenses on lease liabilities	**(112)**	(127)
	(825)	(1,426)
Finance costs, net	**(742)**	(1,012)

8 INCOME TAX CREDIT

Hong Kong Profits Tax has been provided for at the rate of 16.5% on the estimated assessable profits for the six months ended 30 June 2026 and 2025, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK$2 million of the estimated assessable profits of qualifying entities are taxed at 8.25%, and the estimated assessable profits above HK$2 million are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis for the six months ended 30 June 2026 and 2025.

The Group's PRC subsidiaries are subject to the China Corporate Income Tax ("**CIT**") at the rate of 25% (for the six months ended 30 June 2025: 25%) for the six months ended 30 June 2026. Certain PRC subsidiaries of the Group that qualify as small and thin-profit enterprises with an annual taxable income of Renminbi ("**RMB**") not exceed RMB3 million is applicable to the effective CIT rate of 5% (for the six months ended 30 June 2025: 5%), whereas the excess portion will be subject to the effective CIT rate of 25% (for the six months ended 30 June 2025: 25%) for the six months ended 30 June 2026. The Group's subsidiaries in Denmark are subject to income tax at the rate of 22% (for the six months ended 30 June 2025: 22%) for the six months ended 30 June 2026. The Group's subsidiary in the UAE is subject to a corporate tax rate of 9%. Under the UAE corporate tax regime, the first AED375,000 of estimated assessable profits for qualifying entities are taxed at 0% (for the six months ended 30 June 2025: 0%), while any estimated assessable profits exceeding AED375,000 are taxed at 9% (for the six months ended 30 June 2025: 9%) for the six months ended 30 June 2026.

The amount of income tax credited to the condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current income tax		
— CIT	**(581)**	(379)
— UAE Corporate tax	**–**	23
	(581)	(356)

9 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares deemed to be in issue during the six months ended 30 June 2026 and 2025.

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Loss for the purpose of basic loss per share	**(10,735)**	(8,466)
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation *(thousands of shares)*	**1,200,000**	1,200,000
Basic loss per share (HK cents)	**(0.89)**	(0.71)

Diluted loss per share is the same as basic loss per share as there were no potentially dilutive ordinary shares issued during the six months ended 30 June 2026 and 2025.

10 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group had approximately HK$181,000 (six months ended 30 June 2025: HK$660,000) addition to property, plant and equipment. During the six months ended 30 June 2026 and 2025, the Group had disposed of property, plant and equipment that is fully depreciated with no carrying amount and recognised a gain on disposal of approximately HK$11,000.

11 INTANGIBLE ASSETS

During the six months ended 30 June 2026 and 2025, the Group acquired approximately HK$228,000 (six months ended 30 June 2025: nil) intangible assets and did not dispose of any intangible assets.

12 TRADE RECEIVABLES

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
Trade receivables	**34,690**	60,790
Less: Expected credit loss ("**ECL**") allowance	**(6,643)**	(6,643)
Trade receivables, net	**28,047**	54,147

Majority of payment terms with customers are within 60 to 90 days and certain major customers were granted with longer credit terms on discretion. As at 30 June 2026 and 31 December 2025, the aging analysis of trade receivables and net of ECL allowance based on invoice date is as follows:

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
0–30 days	**11,145**	38,918
31–60 days	**8,707**	11,117
61–90 days	**6,994**	2,705
91–120 days	**747**	442
Over 120 days	**454**	965
	28,047	54,147

The Group applied the simplified approach in HKFRS 9 to measure the ECL allowance at lifetime ECL. Except for trade receivables with significant outstanding balance which are assessed individually, the Group determines the ECL on the remaining balances by using a provision matrix grouped by common risk characteristic and the days past due.

Trade receivables with significant outstanding balances from a former customer with an aggregate gross carrying amount of approximately HK$6,536,000 as at 30 June 2026 (as at 31 December 2025: HK$6,536,000) is assessed individually. Full provision has been made on the outstanding balance of approximately HK$6,536,000 due from the former customer as at 30 June 2026 (as at 31 December 2025: HK$6,536,000).

The remaining trade receivables with gross carrying amount of approximately HK$28,154,000 as at 30 June 2026 (as at 31 December 2025: HK$54,254,000) are assessed based on debtors' aging with adopted an average expected loss rate of 0.38% (as at 31 December 2025: 0.20%). The exposure to credit risk for these balances is assessed with a credit loss allowance of approximately HK$107,000 provided by the Group as at 30 June 2026 (as at 31 December 2025: HK$107,000).

13 FINANCIAL ASSETS AT FVTPL

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
Non-current		
Key management insurance contracts *(note i)*	**29,423**	28,906
Current		
Listed equity investments in Hong Kong	**3,021**	3,051
Listed equity investment in Australia	**119**	285
Investment in classic car *(note ii)*	**2,254**	–
Investment in Dubai property *(note iii)*	**2,600**	–
	7,994	3,336
	37,417	32,242

Notes

(i) As at 30 June 2026 and 31 December 2025, the Group's key management insurance contracts were pledged as collateral for the Group's bank borrowings. The beneficiary of the key management insurance contracts is Grown-Up Manufactory Limited, an indirect wholly-owned subsidiary of the Company.

(ii) On 17 April 2026, Ricktake Development Limited ("**Ricktake Development**"), a subsidiary of the Company and Mr. Thomas Berg, the controlling shareholder, Chairman and executive Director of the Company, entered into a Co-Investment Agreement, pursuant to which, both parties agreed to co-invest in a classic car with collectible value (the "**Car**") on 50:50 basis and the investment amount payable by Ricktake Development was EUR250,000 (equivalent to HK$2,254,000). The Car is held by the Group for investment purpose. The assessment of the fair value of the investment is still ongoing and information of the fair value of the investment is provisional. The finalised information will be disclosed in the consolidated financial statements of the Group for the year ending 31 December 2026.

(iii) On 17 April 2026, Ricktake Development and an independent third party entered into a business cooperation agreement in relation to an investment in the development of a property project in Dubai by Ricktake Development in an investment amount of HK$2,600,000. The assessment of the fair value of the investment is still ongoing and information of the fair value of the investment is provisional. The finalised information will be disclosed in the consolidated financial statements of the Group for the year ending 31 December 2026.

Financial assets and liabilities measured at fair value in the condensed consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability and significance of inputs to the measurements, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.

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

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the condensed consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy as follows:

	Level 1 *HK$'000*	**Level 2** *HK$'000*	**Level 3** *HK$'000*	**Total** *HK$'000*
As at 30 June 2026 (Unaudited)				
Financial assets at FVTPL				
Listed equity investments	**3,140**	**–**	**–**	**3,140**
Key management insurance contracts	**–**	**29,423**	**–**	**29,423**
Investment in classic car	**–**	**–**	**2,254**	**2,254**
Investment in Dubai property	**–**	**–**	**2,600**	**2,600**
	3,140	**29,423**	**4,854**	**37,417**
As at 31 December 2025 (Audited)				
Financial assets at FVTPL				
Listed equity investments	3,336	–	–	3,336
Key management insurance contracts	–	28,906	–	28,906
	3,336	28,906	–	32,242

There was no transfer between Levels 1, 2 and 3 for recurring fair value measurements during the six months ended 30 June 2026 and the year ended 31 December 2025.

Fair value measurement (Level 2)

The following table presents the movements in key management insurance contracts for six months ended 30 June 2026 and year ended 31 December 2025:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
As at 1 January	**28,906**	27,691
Fair value changes recognised in condensed consolidated statement of profit or loss and other comprehensive income	**517**	1,215
As at 30 June/31 December	**29,423**	28,906

The key management insurance contracts under Level 2 fair value measurement are denominated in United States dollar. Fair values have been determined by reference to their quoted prices as stated in the bank statements at the end of each reporting period and have been translated using the spot foreign currency rates at the end of the reporting periods where appropriate. During the six months ended 30 June 2026, there is a fair value gain of approximately HK$517,000 relating to the value of the surrender charge of key management insurance contracts (six months ended 30 June 2025: gain of HK$415,000).

Fair value measurement (Level 3)

The following table presents the movements in the Group's investment in unlisted equity investment outside Hong Kong, investment in classic car and investment in Dubai property under Level 3 measurements for the six months ended 30 June 2026 and year ended 31 December 2025:

	30 June 2026 (Unaudited) *HK$'000*	31 December 2025 (Audited) *HK$'000*
As at 1 January	**–**	9,437
Addition	**4,854**	–
Disposal	**–**	(9,560)
Fair value changes recognised in condensed consolidated statement of profit or loss and other comprehensive income	**–**	123
As at 30 June/31 December	**4,854**	–

Management considered the carrying amounts of other financial assets and liabilities of the Group are not materially different from their fair values as at 30 June 2026 and 31 December 2025 due to immediate or short term of maturity.

14 TRADE AND BILL PAYABLES

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
Trade payables	**28,639**	55,656
Bill payables	**17,067**	12,273
	45,706	67,929

Majority of payment terms with suppliers are within 60 to 90 days. The carrying amounts of trade and bill payables approximate their fair values. As at 30 June 2026 and 31 December 2025, the aging analysis of the trade payables of the Group by invoice date is as follows:

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
0–30 days	**12,811**	15,652
31–60 days	**5,243**	18,211
61–90 days	**1,961**	11,354
Over 90 days	**8,624**	10,439
	28,639	55,656

15 BANK BORROWINGS AND BANK OVERDRAFTS

	As at 30 June 2026 (Unaudited) ***HK$'000***	As at 31 December 2025 (Audited) *HK$'000*
Current		
Bank overdrafts (secured)	**1,623**	4,286
Bank borrowings (secured)	**31,175**	38,519
Bank borrowings (unsecured)	**184**	176
	32,982	42,981
Non-current		
Bank borrowings (unsecured)	**4,185**	4,093
	37,167	47,074

As at 30 June 2026, the interest rates of the bank borrowings ranged from 3.1% to 4.4% (31 December 2025: 3.3% to 5.7%) per annum. For the six months ended 30 June 2026, the interest rates of the bank borrowings ranged from 3.1% to 4.4% (six months ended 30 June 2025: 3.3% to 5.7%) per annum. Bank borrowings are repayable within one year based on agreed scheduled repayments and also subject to a repayment on demand clause from the banks. Bank overdrafts are repayable on demand.

16 SHARE CAPITAL

	Number of ordinary shares at HK$0.01 each ***'000***	**Share capital** ***HK$'000***
Authorised:		
As at 30 June 2026 (Unaudited) and 31 December 2025 (Audited)	10,000,000	100,000
Issued and fully paid:		
As at 30 June 2026 (Unaudited) and 31 December 2025 (Audited)	1,200,000	12,000

17 INTERIM DIVIDEND

The Board of the Company does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

18 CAPITAL COMMITMENTS

The Group did not have any significant capital commitments as at 30 June 2026 and 31 December 2025.

19 CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities (31 December 2025: nil).

20 LITIGATION

As of 30 June 2026, two subsidiaries of the Group, namely GP Manufactory China Limited and Grown-Up Manufactory Limited, were named as defendants in a claim ("**Claim**") filed by a supplier, Dongguan Yashi Leather Handbags Co., Ltd. ("**Dongguan Yashi**") in relation to a dispute concerning the quality of the products (the "**Products**") delivered by Dongguan Yashi to the defendants under the supplier agreement between the parties (the "**Supplier Agreement**"). Dongguan Yashi is seeking aggregate damages of approximately HK$8.5 million related to outstanding trade payables of approximately HK$7.3 million, together with additional claims for default penalties, associated rework costs, and legal fees. As at the date of approval of these condensed consolidated financial information, the Claim is pending for an arbitration award.

Based on the legal opinion obtained from the Company's PRC legal adviser, the Products delivered by Dongguan Yashi were found to be not fully compliant with the quality requirements stipulated under the Supplier Agreement. Accordingly, GP Manufactory China Limited and Grown-Up Manufactory Limited have lodged a counterclaim ("**Counterclaim**") against Dongguan Yashi, seeking compensation for breach of contract. The Counterclaim include economic losses arising from rework and airfreight of the Products, liquidated damages, as well as legal and arbitration costs, amounting to approximately HK$6.7 million. As at 30 June 2026, other receivable of approximately HK$4.8 million in relation to the rework and extra costs of the Products have been recognised in the condensed consolidated financial information. As at the date of approval of these condensed consolidated financial information, the Counterclaim is also pending for an arbitration award.

Based on the opinion of the Company's PRC legal adviser, the directors of the Company considered that it is not virtually certain that the resolution of the Claim and the Counterclaim will result in an outflow or inflow (as the case maybe) of economic benefits. Accordingly, save as disclosed above, no additional provision or asset (as the case may be) has been recognised in the condensed consolidated financial information.

21 EVENTS AFTER THE REPORTING PERIOD

The Group had no material events after the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

As a leading global corporate entity with over three decades of experience, the Group specialises in designing, developing, sourcing, manufacturing, and selling a full range of luggage, accessories, medical products, tool storage, and tool accessories. Leveraging on its expertise in design, development, and advanced manufacturing know-how across multiple geographical manufacturing capabilities, the Group has been able to provide tailored supply chain solutions to its private label clients, ensuring a consistent and high-quality product supply while optimising product design for its diverse global customer portfolio.

For the first half of 2026, the Group recorded a net loss of approximately HK$10.7 million, compared to a net loss of approximately HK$8.5 million for the six months ended 30 June 2025. The increase in net loss for the Reporting Period was mainly attributable to the decline in revenue and gross margin for the Reporting Period, mainly driven by (i) a reduction in sales to the United States; and (ii) the decrease in sales for medical bags and related supplies products, which historically represented higher-margin products. These factors were partially offset by the recognition of net realised and unrealised fair value gain on financial assets at fair value through profit or loss ("**FVTPL**") of approximately HK$0.3 million for Reporting Period as compared to net realised and unrealised fair value loss on financial asset at FVTPL of approximately HK$2.7 million for six months ended 30 June 2025. The Board considers that the above factors reflect the market conditions faced by the Group during the Reporting Period, particularly in relation to the decline in demand for medical bags and related supplies products and reduced sales presence in the United States market. The Group will continue to monitor market developments closely and implement appropriate measures to mitigate impacts on its financial performance.

To maintain its competitive stance in the bags and luggage industry, the Group is committed to diversifying its customer base and optimizing its cost structure and supply chain network. These strategic initiatives aim to drive profitability and foster sustainable growth. Considering these challenges, the Group remains dedicated to enhancing operational efficiencies and navigating toward sustainable growth amidst an intricate and evolving business landscape.

The breakdown of the revenue by product portfolio and product category are set out as below:

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	Revenue		Revenue	
	HK$'000	**%**	*HK$'000*	%
Private label products				
Backpack and others	**88,271**	**86%**	115,669	79%
Luggage	**11,623**	**11%**	12,890	9%
Medical bags and related supplies	**2,625**	**3%**	16,487	11%
Tool storage and tool accessories	**–**	**0%**	1,913	1%
Total	**102,519**	**100%**	146,959	100%

Cost of Sales and Gross Profit

Cost of sales decreased by approximately HK$35.5 million or approximately 28.7% from approximately HK$123.9 million for the six months ended 30 June 2025 to approximately HK$88.4 million for the Reporting Period. Such decrease was primarily due to the drop in revenue. During the Reporting Period, overall gross profit margin decreased from approximately 15.7% for the six months ended 30 June 2025 to approximately 13.7% for the Reporting Period.

Selling and Distribution Expenses

Selling and distribution expenses mainly include salaries and benefits of sales and marketing staff, marketing and promotion expenses, travelling and sample cost. For the Reporting Period, the selling and distribution expenses were approximately HK$4.5 million, decreased by approximately HK$1.6 million as compared to the corresponding period in year 2025, which was mainly due to the optimisation in sales and marketing structures and the decrease in sales for the Reporting Period.

Administrative Expenses

Administrative expenses decreased by approximately HK$1.2 million from approximately HK$22.4 million for the six months ended 30 June 2025 to approximately HK$21.2 million for the Reporting Period. The decrease was mainly attributable to the cost savings in general office expenses.

Other Income and Losses, net

Other income and losses, net, represented a loss of approximately HK$2.4 million for the six months ended 30 June 2025 as compared to a gain of approximately HK$1.1 million for the Reporting Period. Such gain was mainly attributable to the recognition of an unrealized gain in the fair value of investments in listed securities of approximately HK$0.2 million during the Reporting Period, compared to a net realised and unrealised loss of HK$3.3 million for the six months ended 30 June 2025.

Loss for the Period

Loss attributable to shareholders of the Company increased by approximately HK$2.2 million from approximately HK$8.5 million for the six months ended 30 June 2025 to approximately HK$10.7 million for the Reporting Period.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL EXPENDITURE

The Group mainly finances its operation, with internally generated cash flows, bank borrowings and equity/debt financings.

As at 30 June 2026, the Group had net current assets of approximately HK$38.1 million (31 December 2025: HK$46.9 million), cash and bank balances and pledged deposits amounted to approximately HK$67.0 million (31 December 2025: HK$83.0 million) and bank borrowings, bank overdrafts and bill payables amounted to approximately HK$54.2 million (31 December 2025: HK$59.3 million). The Group's cash and bank balances as at 30 June 2026 were mainly denominated in Renminbi ("**RMB**"), Hong Kong Dollars ("**HKD**") and United States Dollars ("**USD**"). The Group's bank borrowings carried interest at rates ranging from 3.1% to 4.4% per annum as at 30 June 2026 (31 December 2025: 3.3% to 5.7%), and from 3.1% to 4.4% per annum during the Reporting Period (six months ended 30 June 2025: 3.3% to 5.7%).

The Group's gearing ratio as at 30 June 2026 was 56.2% (31 December 2025: 56.3%), calculated by dividing total debt by total equity multiplied by 100%. Total debt is defined as the sum of bank borrowings, bank overdrafts and bill payables.

During the Reporting Period, the Group incurred capital expenditure of approximately HK$0.4 million (six months ended 30 June 2025: approximately HK$0.7 million), mainly attributable to the acquisition of property, plant and equipment and intangible assets.

During the Reporting Period, the Group did not use any financial instruments for hedging purpose.

SUBSCRIPTION OF NEW SHARES

On 30 June 2026, the Company and Charming Blaze Limited (the "**Subscriber**") entered into a subscription agreement pursuant to which the Company has conditionally agreed to allot and issue under general mandate, and the Subscriber has conditionally agreed to subscribe for, 240,000,000 ordinary shares of the Company at the price of HK$0.033 per share (the "**Subscription**"). Subject to the completion of the Subscription, the gross proceeds raised from the Subscription will be HK$7,920,000, and the net proceeds, after deduction of all relevant expenses, will be approximately HK$7,800,000 (the "**Net Proceeds**"). The Net Proceeds are intended to be fully used for replenishment of the Group's general working capital, of which, approximately 50%, 20% and 30% will be allocated to staff costs, selling and distribution expenses and general administrative expenses respectively arising from the Group's daily operations. As at the date of this announcement, the Subscription has not yet been completed. For details of the Subscription, please refer to the Company's announcements dated 30 June and 23 July 2026.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities (31 December 2025: nil).

LITIGATION

As of 30 June 2026, two subsidiaries of the Group, namely GP Manufactory China Limited and Grown-Up Manufactory Limited, were named as defendants in a claim ("**Claim**") filed by a supplier, Dongguan Yashi Leather Handbags Co., Ltd. ("**Dongguan Yashi**") in relation to a dispute concerning the quality of the products (the "**Products**") delivered by Dongguan Yashi to the defendants under the supplier agreement between the parties (the "**Supplier Agreement**"). Dongguan Yashi is seeking aggregate damages of approximately HK$8.5 million related to outstanding trade payables of approximately HK$7.3 million, together with additional claims for default penalties, associated rework costs, and legal fees. As at the date of approval of these condensed consolidated financial information, the Claim is pending for an arbitration award.

Based on the legal opinion obtained from the Company's PRC legal adviser, the Products delivered by Dongguan Yashi were found to be not fully compliant with the quality requirements stipulated under the Supplier Agreement. Accordingly, GP Manufactory China Limited and Grown-Up Manufactory Limited have lodged a counterclaim ("**Counterclaim**") against Dongguan Yashi, seeking compensation for breach of contract. The Counterclaim include economic losses arising from rework and airfreight of the Products, liquidated damages, as well as legal and arbitration costs, amounting to approximately HK$6.7 million. As at 30 June 2026, other receivable of approximately HK$4.8 million in relation to the rework and extra costs of the Products have been recognised in the condensed consolidated financial information. As at the date of approval of these condensed consolidated financial information, the Counterclaim is also pending for an arbitration award.

Based on the opinion of the Company's PRC legal adviser, the directors of the Company considered that it is not virtually certain that the resolution of the Claim and the Counterclaim will result in an outflow or inflow (as the case maybe) of economic benefits. Accordingly, save as disclosed above, no additional provision or asset (as the case may be) has been recognised in the condensed consolidated financial information.

EVENTS AFTER THE REPORTING PERIOD

The Group had no material events after the Reporting Period.

CAPITAL COMMITMENT

Details of capital commitment of the Group as at 30 June 2026 are set out in note 18 to the Group's unaudited interim condensed consolidated financial information for the Reporting Period.

EMPLOYEE INFORMATION

As at 30 June 2026, the Group had approximately 345 employees (30 June 2025: approximately 396 employees). Salaries and benefits of the Group's employees were kept at a market level and employees were rewarded on a performance-related basis. Remuneration is reviewed annually. Staff benefits include contribution to mandatory contribution fund, discretionary bonus and share options. As at the date of this announcement, no share option has been granted or agreed to be granted to employees of the Group.

The Group also provided regular training to its employees to improve their skills and enhance their technical knowledge as well as their knowledge on relevant product quality standards and work safety.

SIGNIFICANT INVESTMENTS HELD

Save for the key management insurance contracts of approximately HK$29.4 million (31 December 2025: HK$28.9 million) held as financial assets at FVTPL as disclosed in note 13, there were no other material investments (i.e. accounting for 5% of the total asset of the Group) held by the Group (31 December 2025: nil) as at 30 June 2026.

As at 30 June 2026, the key management insurance contracts of HK$29.4 million represented approximately 15.0% of the Group's total assets (31 December 2025: 12.3%). The key management insurance contracts were pledged as collateral for the Group's bank borrowings. The beneficiary of the key management insurance contracts is Grown-Up Manufactory Limited, an indirect wholly-owned subsidiary of the Company. For details of the key management insurance contracts, please refer to the Company's announcement dated 8 August 2022.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Reporting Period, there was no acquisition or disposal of subsidiaries and associated companies by the Company.

DISPOSAL OF INVESTMENT PROPERTY

On 11 February 2026, Grown-Up Manufactory Limited (as seller), an indirect wholly-owned subsidiary of the Company, entered into a provisional agreement (the "**Provisional Agreement**") with Happy Trend Investment Limited (as buyer), an independent third party for the disposal (the "**Disposal**") of an investment property, being a car park located in Hong Kong, at a total consideration of HK$1,550,000. A 10% deposit has been received upon signing of the Provisional Agreement. The Disposal was completed on 31 March 2026. This disposal does not have a material impact on the Group's financial position or operations.

CONNECTED TRANSACTION

On 17 April 2026, Ricktake Development Limited ("**Ricktake Development**"), an indirect wholly-owned subsidiary of the Company, and Mr. Thomas Berg, the controlling shareholder, Chairman and executive Director of the Company, entered into a Co-Investment Agreement, pursuant to which, both parties agreed to co-invest in a classic car with collectible value (the "**Car**") on 50:50 basis and the investment amount payable by Ricktake Development was EUR250,000 (equivalent to approximately HK$2,254,000) (the "**Co-Investment**"). The Car is held by the Group for investment purpose.

Since Mr. Thomas Berg is an executive Director, the chairman of the Board and the controlling shareholder of the Company, the Co-Investment constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. As all the applicable percentage ratios (as defined under the Listing Rules) in respect of the Co-Investment are less than 5% and the total consideration is less than HK$3,000,000, the Co-Investment falls within the de minimis exemption under Rule 14A.76(1)(c) of the Listing Rules. Accordingly, pursuant to Rules 14A.74 and 14A.76(1)(c) of the Listing Rules, the Co-Investment is fully exempt from the shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

CHARGE ON ASSETS

As at 30 June 2026 and 31 December 2025, the following assets were pledged to banks to secure general banking facilities granted to the Group:

(i) Pledged deposits of approximately HK$12.7 million (31 December 2025: approximately HK$12.6 million); and

(ii) Financial assets at fair value through profit or loss of approximately HK$29.4 million (31 December 2025: approximately HK$28.9 million).

FOREIGN CURRENCY EXPOSURE

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD and RMB. Any significant fluctuation in the exchange rates between USD and RMB may affect the profitability. The Group currently does not have a foreign currency hedging policy. The Group will continue to monitor its foreign currency exposure closely and consider hedging significant foreign currency exposure should the need arise.

OUTLOOK AND PROSPECTS

In the second half of 2026, the Group will continue to navigate an increasingly complex global economic environment marked by regional trade adjustments, geopolitical friction, and the ongoing impact of United States tariff policies on market demand.

While confronting persistent industry headwinds, including competitive pricing pressures, shifting consumer preferences, and rising material and labor costs in the PRC, the Group remains resolutely focused on financial resilience. Rather than relying on broad economic indicators, the Group's operational priorities are firmly centered on actionable internal strategies. These include actively diversifying its customer base to reduce regional concentration risks, optimizing its multi-geographical manufacturing network and supply chain footprint to mitigate cost pressures, and enhancing overall operational efficiencies.

In addition, the Group acknowledges that sustaining long-term stability may benefit from a gradual broadening of its business scope. Exploring opportunities across different industries could provide additional revenue streams, help balance cyclical demand, and enhance resilience against sector-specific challenges. Any diversification will be approached in a measured and considered manner, aligned with evolving customer needs and broader market developments, to support the Group's growth path and maintain its competitive positioning.

Moving forward, the Group will persist in implementing prudent and responsible measures to maintain a healthy financial position that will enable it to sustain its operations and pursue new business opportunities and relatively expand into areas that enhance shareholders' value.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company has complied with the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules except for the following deviation.

Pursuant to code provision B.3.5 of the CG Code, with effect from 1 July 2025, the Nomination Committee must have at least one director of a different gender. Since the resignation of Ms. Shut Ya Lai, a former executive Director, on 31 December 2025, both the Nomination Committee and the Board had been single-gender. Between 31 December 2025 and 14 August 2026, the Board had been taking steps to identify a candidate who could contribute to gender diversity and satisfy the requirements for appointment as a Director. Following a rigorous selection, Ms. Yip Hiu Tung was appointed as an independent non-executive Director, chairlady of the Audit Committee and member of the Remuneration Committee and Nomination Committee on 14 August 2026. Since then, the Company has complied with code provision B.3.5 of the CG Code.

MODEL CODE OF CONDUCT OF DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' transactions in securities of the Company (the "**Company's Code**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the "**Model Code**"). After specific enquiry made by the Company, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the Company's Code during the Reporting Period.

INTERIM DIVIDEND

The Board does not recommend any interim dividend for the Reporting Period (six months ended 30 June 2025: nil).

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as of the date of this announcement, the Company maintained the prescribed public float of no less than 25% as required under the Listing Rules.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 30 May 2019. There was no outstanding share option as at 30 June 2026. No share options were granted, exercised, cancelled or lapsed since its adoption and during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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)) during the Reporting Period.

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

AUDIT COMMITTEE AND REVIEW OF UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Pursuant to Rule 3.21 of the Listing Rules, the Company established the Audit Committee with written terms of reference aligned with the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Ms. Yip Hiu Tung, Mr. Wong Kai Hing and Mr. Chan Ting Leuk Arthur. The Audit Committee is chaired by Ms. Yip Hiu Tung and is responsible for assisting the Board in safeguarding the Group's assets by providing an independent review of the effectiveness of the financial reporting process and the internal controls and risk management systems of the Group. It also performs other duties and responsibilities as assigned by the Board.

The Audit Committee has discussed with the management of the Group and reviewed the unaudited interim condensed consolidated financial information of the Group for the Reporting Period, including the accounting principles and practices adopted by the Group, and discussed financial related matters. The Audit Committee is of the view that such financial information has complied with the applicable accounting standards and adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Company's website at www.grown-up.com and the website of the Stock Exchange at www.hkexnews.hk. The Company's 2026 interim report for the Reporting Period will be despatched to the shareholders of the Company and available on the same websites in due course.

By order of the Board
Grown Up Group Investment Holdings Limited
Thomas Berg
Chairman and executive Director

Hong Kong, 21 August 2026

As at the date of this announcement, the executive Directors are Mr. Thomas Berg, Mr. Jan Ankersen and Mr. Fong Ho Tat; and the independent non-executive Directors are Ms. Yip Hiu Tung, Mr. Wong Kai Hing and Mr. Chan Ting Leuk Arthur.