YAN TAT GROUP HOLDINGS LIMITED

恩達集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1480)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Yan Tat Group Holdings Limited (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026, together with the comparative figures for the corresponding period in 2025.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	**Six months ended 30 June 2026 HK$'000 (Unaudited)**	Six months ended 30 June 2025 HK$'000 (Unaudited)
REVENUE	4	**279,839**	263,526
Cost of sales		**(239,686)**	(202,728)
Gross profit		**40,153**	60,798
Other income and gains	4	**12,696**	12,557
Selling and distribution expenses		**(9,698)**	(9,885)
General and administrative expenses		**(61,901)**	(44,442)
Other expenses		**(2,956)**	(2,132)
Finance costs	6	**(4,509)**	(1,292)
PROFIT/(LOSS) BEFORE TAX	5	**(26,215)**	15,604
Income tax credit/(expense)	7	**1,445**	(2,696)
PROFIT/(LOSS) FOR THE PERIOD		**(24,770)**	12,908
Attributable to:			
Owners of the parent		**(24,770)**	14,198
Non-controlling interest		**–**	(1,290)
		(24,770)	12,908
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic and diluted		**HK(10.3) cents**	HK5.9 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
PROFIT/(LOSS) FOR THE PERIOD	**(24,770)**	12,908
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**20,379**	9,375
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Change in fair value of a financial asset at fair value through other comprehensive income	**(91)**	(119)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	**20,288**	9,256
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**(4,482)**	22,164
Attributable to:		
Owners of the parent	**(4,482)**	23,128
Non-controlling interest	**–**	(964)
	(4,482)	22,164

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026 HK$'000 (Unaudited)**	31 December 2025 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**453,190**	420,646
Investment properties		**19,278**	19,230
Right-of-use assets		**4,810**	5,725
Goodwill		**2,715**	2,715
Deposits for purchases of items of property, plant and equipment		**6,139**	7,201
Deposits		**159**	152
Deferred tax assets		**18,257**	14,741
Financial asset at fair value through other comprehensive income		**3,630**	3,576
Total non-current assets		**508,178**	473,986
CURRENT ASSETS			
Inventories		**111,553**	71,845
Trade and bills receivables	*9*	**171,756**	139,201
Prepayments, deposits and other receivables		**20,129**	12,988
Tax recoverable		**1,921**	2,186
Pledged deposits		**25,122**	24,795
Cash and cash equivalents		**498,812**	531,734
Total current assets		**829,293**	782,749
CURRENT LIABILITIES			
Trade payables	*10*	**118,970**	86,529
Other payables and accruals		**80,005**	77,664
Interest-bearing bank borrowings		**176,231**	124,278
Lease liabilities		**1,339**	1,885
Dividend payable		**7,200**	–
Tax payable		**15,887**	14,404
Total current liabilities		**399,632**	304,760
NET CURRENT ASSETS		**429,661**	477,989
TOTAL ASSETS LESS CURRENT LIABILITIES		**937,839**	951,975

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
NON-CURRENT LIABILITIES		
Interest-bearing bank borrowings	**64,529**	65,872
Lease liabilities	**448**	818
Deposit received	**115,230**	110,710
Deferred tax liabilities	**16,834**	22,069
Deferred income	**5,308**	5,334
Total non-current liabilities	**202,349**	204,803
Net assets	**735,490**	747,172
EQUITY		
Equity attributable to owners of the parent		
Issued capital	**2,400**	2,400
Reserves	**733,090**	744,772
Total equity	**735,490**	747,172

NOTES

30 June 2026

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 8 July 2014 as an exempted company with limited liability. The address of the registered office of the Company is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at Room 809–810, Kwong Sang Hong Centre, 151–153 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong.

During the period, the Group was principally engaged in the manufacture and sale of printed circuit boards (the "**PCB**").

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). In the opinion of the Directors, the immediate holding company and the ultimate holding company of the Company is Million Pearl Holdings Ltd., which is incorporated in the British Virgin Islands.

2.1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting*. The 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 AND DISCLOSURES

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

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Prior to the initial application of the amendments, the Group derecognised trade payables that were settled by cheques upon the issuance of cheques to creditors. Upon applying the amendments, trade payables that were settled by cheques are derecognised on the settlement date which is the date when the cheques are cleared by banks. The change in accounting policy did not have a material impact on the Group's interim condensed consolidated financial information. The change in accounting policy will be reflected in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to HKFRS Accounting Standards — Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group focuses primarily on the manufacture and sale of printed circuit boards during the period. Information reported to the Group's chief operating decision maker, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June 2026	Six months ended 30 June 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Chinese mainland	**115,620**	107,599
Hong Kong	**6,446**	4,119
Europe	**61,989**	51,249
Asia (except Chinese mainland and Hong Kong)	**65,239**	66,314
North America	**30,160**	34,134
Others	**385**	111
	279,839	263,526

The revenue information above is based on the locations of the customers who placed the orders.

(b) Non-current assets

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Hong Kong	**1,689**	2,866
Chinese mainland	**296,600**	287,861
Malaysia	**187,843**	164,790
	486,132	455,517

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the reporting period is set out below:

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Customer A	**56,827**	47,342
Customer B	**37,993**	49,414
Customer C	**30,816**	N/A

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue, other income and gains is as follows:

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Revenue from contracts with customers		
Sale of goods	**279,839**	263,526
Other income		
Bank interest income	**8,539**	8,348
Rental income	**233**	229
Government grants	**941**	1,108
Others	**176**	–
	9,889	9,685
Gains		
Income linked to recycling	**2,807**	2,624
Foreign exchange gains, net	**–**	248
	2,807	2,872
	12,696	12,557

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Cost of inventories sold	**239,686**	202,728
Depreciation of property, plant and equipment	**12,431**	14,513
Depreciation of right-of-use assets	**1,127**	977
Research and development costs#	**14,116**	9,410
Write-down of inventories to net realisable value^	**858**	280
Impairment of trade receivables	**3**	120
Fair value losses on investment properties**	**726**	2,106
Loss on disposal of property, plant and equipment	**1,866**	–
Write-off of items of property, plant and equipment	**–**	25
Foreign exchange differences, net*	**10,428**	(248)

^ Write-down of inventories to net realisable value is included in "Cost of inventories sold" in the interim condensed consolidated statement of profit or loss.

* These gains are included in "Other income and gains" and the losses are included in "General and administrative expenses", as appropriate, in the interim condensed consolidated statement of profit or loss.

** These gains are included in "Other income and gains" and the losses are included in "Other expenses", as appropriate, in the interim condensed consolidated statement of profit or loss.

During the six months ended 30 June 2026, research and development costs, which are included in "General and administrative expenses", include staff costs and depreciation amounting to approximately HK$5,898,000 (six months ended 30 June 2025: HK$4,065,000).

6. FINANCE COSTS

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Interest on:		
Bank loans	**4,447**	1,234
Lease liabilities	**62**	58
	4,509	1,292

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

The provision for land appreciation tax has been estimated according to the requirements set forth in the relevant People's Republic of China (the "**PRC**") laws and regulations. Land appreciation tax has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

All subsidiaries of the Group established in the PRC are subject to PRC corporate income tax at a standard rate of 25% (2025: 25%) during the period, except for a subsidiary of the Group which qualified as a High and New Technology Enterprise in Chinese mainland and a lower PRC corporate income tax rate of 15% (2025: 15%) has been applied during the period.

All subsidiaries of the Group established in the Malaysia are subject to Malaysia corporate income tax at a standard rate of 24% (2025: 24%) during the period.

	Six months ended 30 June 2026 *HK$'000* **(Unaudited)**	Six months ended 30 June 2025 *HK$'000* (Unaudited)
Current — Hong Kong		
Charge for the period	**683**	1,107
Underprovision in prior years	**83**	–
Current — Chinese mainland		
Charge for the period	**–**	1,187
Underprovision in prior years	**261**	–
Current — Malaysia		
Charge for the period	**389**	–
Deferred	**(2,861)**	402
Total tax charge/(credit) for the period	**(1,445)**	2,696

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amount for the six months ended 30 June 2026 attributable to ordinary equity holders of the parent is based on the loss for the period attributable to ordinary equity holders of the parent of HK$24,770,000 (six months ended 30 June 2025: profit for the period attributable to ordinary equity holders of the parent of HK$14,198,000) and the weighted average number of ordinary shares of the parent of 240,000,000 (six months ended 30 June 2025: 240,000,000) in issue during the period.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the six months ended 30 June 2026 and 2025 as the Group had no potentially dilutive ordinary shares in issue during these periods.

9. TRADE AND BILLS RECEIVABLES

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade receivables	**162,584**	130,714
Bills receivable	**11,507**	11,663
	174,091	142,377
Impairment	**(2,335)**	(3,176)
	171,756	139,201

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance may be required. The Group maintains a defined credit policy and credit periods are usually granted ranging from one to four months from the month-end of date of invoice to customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade and bills receivables. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within one month	**78,074**	73,842
One to two months	**48,202**	30,445
Two to three months	**32,629**	21,507
Over three months	**12,851**	13,407
	171,756	139,201

10. TRADE PAYABLES

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

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within three months	**94,457**	66,943
Three to six months	**18,926**	13,164
Over six months	**5,587**	6,422
	118,970	86,529

The trade payables are unsecured, non-interest-bearing and are normally settled within three months from the month-end of date of invoice.

11. DIVIDEND

	Six months ended 30 June 2026	Six months ended 30 June 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Final 2025 dividend declared and recognised as a distribution to ordinary equity holders of the parent during the period — HK3 cents (2025: HK6 cents in respect of final 2024 dividend declared) per ordinary share	**7,200**	14,400

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

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Development

The Group is an original equipment manufacturer ("**OEM**") provider of PCBs and focuses on the production of quality PCBs, which meet industrial standards such as IPC Standards, as well as customers' requirements.

We focus on the conventional PCBs with a well-developed capacity to produce multi-layered and special material PCBs with primary applications in the automotive, communications equipment, medical devices, industrial automation equipment and consumer electronics sectors.

Through our continuous diversification of product mix and market coverage, the Group has been able to respond swiftly to changes in demand across different sectors and adjust its production output accordingly, thereby reducing its reliance on any single product category or end market. Benefiting from the enormous business opportunities generated from automobile electronics in recent years, the proportion of our revenue generated from this sector has correspondingly increased.

Over the past 36 years of our operation, the Group has established a solid foundation and close relationships with our customers. The Group provided direct and indirect services to OEM customers across Asia, Europe and North America, who are engaged in various industries with many of them running in a multinational model. Certain of our major OEM customers are leading players in their markets. The Group supplied PCB products directly to a number of leading electronic manufacturing service providers, in order to assemble finished goods of OEM for the Group's indirect OEM customers. To date, the Group has built up long-term relationships with major customers, and some of them have been working with us for over a decade. We believe that these customers also considered the Group as their important partner for their supply chain. Therefore, our profound and long-term relationships with our customers will enable the Group to know the trend of customers' demand more quickly.

The Group recognises that product and process quality are integral to its business. The Group strictly adheres to various international quality standards and systems, and has obtained certifications including ISO9001, ISO14001 and IATF16949 certifications. The Group has put in place a number of quality measures and simplification plans to promote a culture of quality product. Quality is of paramount importance to the business of the Group and is regularly reviewed and improved by dedicated personnel to enhance customer satisfaction. In addition, the Group obtained AS9100 certification in 2009 qualifying it to provide advanced and reliable PCBs to the aerospace industry. This is a testament to our product quality. From 2022, the Group complies with ISO 13485 certification, proving that the Group's quality management system complies with the production and sales requirements of circuit boards for medical equipment.

Apart from focusing on product quality, the Group also focuses on staff benefits. The Group passed the ISO45001 Occupational Health and Safety Management System Certification in 2023. Through the international standard certification process, we are able to identify deficiencies in the area of staff "Occupational Safety and Health", and focus on improvement and enhancement, so that our staff can work in a safe and healthy environment.

The PCB industry continued to face significant cost pressures in the first half of 2026. The sharp rise in the unit price of copper clad laminates driven by the rising demand for artificial intelligence, and the increase in prices of other raw materials (especially those affected by gold and copper prices) during the same period drove up the production cost and continued to pressure the gross profit margin of the Group. At the same time, the continuous implementation of stringent emission standards and environmental protection measures across China has presented considerable challenges for PCB manufacturers. The Group has consequently increased its capital expenditure in respect of environmental protection compliance, which has, in turn, exerted pressure on the Group's profit margins.

Furthermore, while China remains a global manufacturing hub, the Group is facing an operating landscape with escalating labour costs and tightening labour supply, particularly in coastal regions. To mitigate these challenges, the Group has accelerated the automation of its production processes, promoted the utilization and circulation of production information, and implemented measures to optimise costs and enhance quality. These strategic initiatives are paving the way for the Group's future development towards intelligent manufacturing.

The global economy in the first half of 2026 faced severe headwinds. This subdued outlook was heavily tested by energy market shocks and transport disruptions from geopolitical conflicts in the Middle East. The PCB industry is closely tied to global economic developments, and other than PCB manufacturers serving AI-related applications, industry participants generally continued to face intense competition. Having focused on the PCB business for more than 36 years, the Group's accumulated experience and network are conducive to its development in the PCB market and its ability to respond to changes.

In 2025, the Group completed the acquisition of a land parcel in Malaysia and a company principally engaged in manufacturing printed circuit boards in Malaysia (the "**Acquisition**"), to add an additional production base for the Group. The Acquisition was a strategic opportunity for the Group to establish a more resilient and flexible supply chain, ensuring operational continuity amid global uncertainties. Furthermore, Malaysia's strategic location in Southeast Asia offers significant logistical advantages, including reduced lead times and lower transportation costs for customers within the ASEAN region. We anticipate the Acquisition to improve service delivery, increase customer satisfaction and retention, and potentially open new avenues for growth. It will also serve as a foundation for the Group to explore further business opportunities within the region. The Group believes the Acquisition will diversify the Group's manufacturing base while complementing its existing operations in the PRC, positioning it favourably in the global PCB market, driving long-term growth and creating sustainable value for the shareholders of the Company (the "**Shareholders**").

Financial Review

	Six months ended 30 June 2026	Six months ended 30 June 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue	**279,839**	263,526
Gross profit	**40,153**	60,798
Earnings/(loss) before interest, taxes, depreciation and amortisation ("**EBITDA**")/("**(LBITDA)**")	**(16,687)**	24,038
Profit/(loss) attributable to owners of the parent	**(24,770)**	14,198

The Group's revenue for the six months ended 30 June 2026 was approximately HK$279.8 million, representing an increase of approximately 6.2% as compared to approximately HK$263.5 million for the last corresponding period, which was primarily attributable to the increase in sales order volume, partially offset by lower average selling prices amid continued intense price competition in the PCB market.

The Group's gross profit margin for the six months ended 30 June 2026 was approximately 14.3%, representing a decrease of approximately 8.8 percentage points from the gross profit margin of the last corresponding period of approximately 23.1%, which was primarily attributable to the decline in average selling prices, and the sharp rise in the cost of copper clad laminates and other raw materials (particularly costs affected by gold and copper prices) during the period.

The Group's total operating expenses (i.e. selling and distribution expenses and general and administrative expenses) for the six months ended 30 June 2026 were approximately HK$71.6 million, representing an increase of approximately 31.9% compared to approximately HK$54.3 million for the last corresponding period, primarily due to the increase in general and administrative expenses.

The Group's LBITDA amounted to approximately HK$16.7 million for the six months ended 30 June 2026 as compared to an EBITDA of approximately HK$24.0 million for the last corresponding period.

The Group recorded a loss attributable to owners of the parent of approximately HK$24.8 million for the six months ended 30 June 2026 as compared to profit attributable to owners of the parent of approximately HK$14.2 million for the last corresponding period.

Other income and gains

Other income and gains increased by approximately HK$0.1 million, or 0.8%, to approximately HK$12.7 million for the six months ended 30 June 2026 from approximately HK$12.6 million for the six months ended 30 June 2025, primarily due to the increase in bank interest income.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately HK$0.2 million, or 2.0%, to approximately HK$9.7 million for the six months ended 30 June 2026 from approximately HK$9.9 million for the six months ended 30 June 2025. The decrease was primarily due to the decrease in consultancy fee.

General and administrative expenses

General and administrative expenses increased by approximately HK$17.5 million, or 39.4%, to approximately HK$61.9 million for the six months ended 30 June 2026 from approximately HK$44.4 million for the six months ended 30 June 2025. The increase was primarily due to the increases in staff salaries and welfare, utilities expenses and research and development costs, which were mainly attributable to Denshi Maruwa Industries (M) Sdn. Bhd., a subsidiary acquired by the Group in 2025, as well as an increase in net foreign exchange losses.

Other expenses

Other expenses increased by approximately HK$0.9 million or 42.9%, to approximately HK$3.0 million for the six months ended 30 June 2026 from approximately HK$2.1 million for the six months ended 30 June 2025, primarily due to the increase in loss on disposal of property, plant and equipment of approximately HK$1.9 million.

Finance costs

Finance costs increased by approximately HK$3.2 million, or 246.2%, to approximately HK$4.5 million for the six months ended 30 June 2026 from approximately HK$1.3 million for the six months ended 30 June 2025, primarily due to the increase in bank loan interest resulting from an increase in bank borrowings.

Profit/(loss) attributable to owners of the parent

The Group recorded a loss attributable to owners of the parent of approximately HK$24.8 million for the six months ended 30 June 2026 as compared to profit attributable to owners of the parent of approximately HK$14.2 million for the six months ended 30 June 2025, representing a turnaround of approximately HK$39.0 million from profit to loss. The turnaround was mainly attributable to the decrease in gross profit of approximately HK$20.6 million and the increase in general and administrative expenses of approximately HK$17.5 million, partially offset by the change from income tax expense to income tax credit of approximately HK$4.1 million and the decrease in selling and distribution expenses of approximately HK$0.2 million.

Property, plant and equipment

The net carrying amount of the Group's property, plant and equipment as at 30 June 2026 was approximately HK$453.2 million, representing an increase of approximately HK$32.6 million from the net carrying amount of approximately HK$420.6 million as at 31 December 2025. This was mainly due to depreciation of approximately HK$12.4 million for the Group's property, plant and equipment, which was partially offset by the total additions of approximately HK$33.1 million and exchange realignment gain of approximately HK$13.8 million due to the appreciation of RMB against HKD during the six months ended 30 June 2026.

Trade and bills receivables

There was an increase in trade and bills receivables as at 30 June 2026 of approximately HK$32.6 million as compared to 31 December 2025, which was mainly due to the increase in sales in the second quarter of 2026 as compared to the fourth quarter of 2025.

Bank borrowings

The Group had bank borrowings as at 30 June 2026 in the sum of approximately HK$240.8 million, representing an increase of approximately HK$50.6 million from the sum of approximately HK$190.2 million as at 31 December 2025. The increase in borrowings was mainly due to the addition of bank borrowings for the capital investment in Malaysia during the period. No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments.

Liquidity and financial resources

As at 30 June 2026, the Group had total current assets of approximately HK$829.3 million (31 December 2025: HK$782.7 million), including cash and cash equivalents and pledged deposits totalling approximately HK$523.9 million (31 December 2025: HK$556.5 million). As at 30 June 2026, the Group had non-current liabilities of approximately HK$202.3 million (31 December 2025: HK$204.8 million), and its current liabilities amounted to approximately HK$399.6 million (31 December 2025: HK$304.8 million), consisting mainly of payables arising from the normal course of operations and borrowings. Accordingly, the current ratio, being the ratio of current assets to current liabilities, was around 2.1 as at 30 June 2026 (31 December 2025: 2.6).

Gearing ratio

The gearing ratio of the Group, calculated as total borrowings over total equity, was 0.33 as at 30 June 2026 (31 December 2025: approximately 0.25).

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Directors closely monitor the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Foreign currency risk exposure

As at 30 June 2026, the Group had cash and cash equivalents, pledged deposits, trade and bills receivables, deposits and other receivables, trade payables, other payables, and interest-bearing bank borrowings which are denominated in currencies other than Hong Kong dollars, and consequently we have foreign currency risk exposure from translation of amounts denominated in foreign currencies as at the reporting date. During the six months ended 30 June 2026, the Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its exposure to foreign currency risk.

Capital structure

There has been no major change in the capital structure of the Company during the six months ended 30 June 2026. The capital of the Company comprises ordinary shares and capital reserves.

Capital commitments

As at 30 June 2026, capital commitments of the Group amounted to approximately HK$56.8 million (31 December 2025: HK$56.6 million). The capital commitments were mainly related to construction agreements and the procurement of equipment for the investment in Malaysia.

Information on employees

As at 30 June 2026, the Group had 887 (31 December 2025: 848) employees, including the executive Directors. Total employee benefit expense (including Directors' remuneration) for the six months ended 30 June 2026 was approximately HK$55.9 million, as compared to approximately HK$49.3 million for the six months ended 30 June 2025. Remuneration is determined with reference to market norms and individual employee's performance, qualifications and experience.

On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance. Other staff benefits include contributions to the Mandatory Provident Fund scheme in Hong Kong and various welfare plans including the provision of pension funds, medical insurance and other relevant insurance for employees who are employed by our Group pursuant to the PRC rules and regulations and the existing policy requirements of the relevant local PRC governments, and the Malaysia rules and regulations, as applicable.

The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually.

Significant investment held

During the six months ended 30 June 2026, the Group did not hold any significant investment.

Future plans for material investments and capital assets

On 8 May 2020, the Group entered into, amongst others, a cooperation agreement for the Urban Renewal Project located at our production base in Pingshan District, Shenzhen, the PRC. The entering into of the cooperation agreement and the transactions thereunder have been approved by the Shareholders at the extraordinary general meeting on 14 July 2020. As disclosed in the Company's announcements dated 24 June 2022, 14 October 2022, 1 December 2022 and 12 April 2023, payment schedule of certain payment installments under the Urban Renewal Project has been postponed at the request of the counterparty. However, such payment installments have become due from and payable by the counterparty, and remain outstanding as at the date of this announcement. No further agreement has been made between the parties to further postpone the payment schedule nor the milestones of the Urban Renewal Project as at the date of this announcement. The Company has been following up with the counterparty on, among other things, the status of the outstanding payment installments and the subsequent arrangements of the cooperation agreement. For details, please refer to the Company's announcements dated 15 May 2020, 14 July 2020, 24 June 2022, 14 October 2022, 1 December 2022 and 12 April 2023, and the circular dated 24 June 2020.

On 13 March 2026, Yan Tat Printed Circuits (Shenzhen) Co., Ltd., an indirect wholly-owned subsidiary of the Company, entered into a purchase agreement to acquire PCB processing equipment for RMB13.8 million (equivalent to approximately HK$15.6 million). The acquisition is intended to upgrade the Group's production facilities and enhance operational efficiency and is funded by internal resources and bank borrowings. For details, please refer the announcement of the Company dated 13 March 2026.

Save as disclosed in this announcement, and except for potential further investments and/or acquisitions of capital assets which may be considered necessary by the Group in connection with the expansion of its production base to Malaysia, the Group had no other future plans for material investments or capital assets as at 30 June 2026. The Group will continue to assess its operational needs and business development strategy from time to time, and any such future investments or acquisitions will be subject to the evolving circumstances of the PCB industry.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

During the six months ended 30 June 2026, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Charges of assets

As at 30 June 2026, certain assets of the Group as set out below were charged to secure banking facilities granted to the Group:

(i) the Group's investment property amounting to approximately HK$3.6 million (31 December 2025: HK$3.5 million).

(ii) pledged deposits with banks amounting to approximately HK$25.1 million (31 December 2025: HK$24.8 million).

(iii) the Group's leasehold land and buildings with net carrying amount of HK$104.2 million (31 December 2025: HK$104.4 million).

(iv) the Group's parcels of leasehold land situated in Chinese mainland which are classified as right-of-use assets with carrying amount of HK$3.1 million (31 December 2025: HK$3.1 million).

Contingent liabilities

The Group had no material contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

PROSPECTS

In 2026, the global landscape is expected to remain impacted by significant geopolitical instability. Ongoing conflicts, such as those involving Russia and Ukraine, and between US, Israel and Iran, continue to contribute to heightened energy and precious metal costs, persistent inflationary pressures, and exchange rate volatility. Even though the demand for PCBs are still strong in the AI, automotive electronics and 5G communication applications, PCB companies are still facing various challenges and increasing production cost. Although we have diversified markets and industry segments, a broad base of quality customers and a strong defensive posture, the unfavourable general environment will have a negative impact on the Company. The Company is closely monitoring external developments and its own internal customer order situation and will make appropriate adjustments accordingly.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period up to the date of this announcement.

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

For the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares (as defined under the Listing Rules)).

CORPORATE GOVERNANCE

The Company confirms that, the Company has complied with all the code provisions (the "**Code Provisions**") set out in the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct for securities transactions by the Directors. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standards of dealing as set out in the Model Code during the six months ended 30 June 2026.

AUDIT COMMITTEE

The Company established an audit committee pursuant to a resolution of the Directors passed on 18 November 2014 with written terms of reference in compliance with Rule 3.21 and Rule 3.22 of the Listing Rules. The written terms of reference of the audit committee were adopted in compliance with the Code Provisions. Its terms of reference are available on the websites of the Company and the Stock Exchange. The audit committee consists of three independent non-executive Directors, namely Mr. Yau Wing Yiu (chairman of the audit committee), Dr. Wong Man Hin Raymond and Mr. Chung Yuk Ming.

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been reviewed by the audit committee and the audit committee is of the view that the unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 were prepared in accordance with applicable accounting standards, rules and regulations and appropriate disclosures have been duly made.

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 have been reviewed by the Company's auditor, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. The auditor's independent review report will be included in the Company's 2026 interim report.

INTERIM DIVIDEND

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

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the websites of both the Stock Exchange (www.hkexnews.hk) and the Company (www.yantat.com). An interim report of the Company for the six months ended 30 June 2026 containing all the information required by Appendix D2 to the Listing Rules will be published on the aforementioned websites in due course.

By Order of the Board
Yan Tat Group Holdings Limited
CHAN Yung
Chairman

Hong Kong, 26 August 2026

As at the date of this announcement, the executive directors of the Company are Mrs. Chan Yung and Mr. Chan Yan Wing; the non-executive director is Mr. Chan Yan Kwong; the independent non-executive directors are Mr. Chung Yuk Ming, Dr. Wong Man Hin Raymond, and Mr. Yau Wing Yiu.