INTERIM REPORT 2026

JU TENG INTERNATIONAL HOLDINGS LIMITED

巨 騰 國 際 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 3336

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Cheng Li-Yu
(Chairman and Chief Executive Officer)
Mr. Chiu Hui-Chin *(Chief Strategy Officer)*
Mr. Huang Kuo-Kuang
Mr. Tsui Yung Kwok
(Chief Financial Officer)
Mr. Wang Ting Jin

NON-EXECUTIVE DIRECTORS

Mr. Cheng Li-Yen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yip Wai Ming
Mr. Yuen Chi Ho
Dr. Chuang Shu-Hui

AUTHORISED REPRESENTATIVES

Mr. Cheng Li-Yu
Mr. Tsui Yung Kwok

COMPANY SECRETARY

Ms. Cheung Lai Yin

AUDIT COMMITTEE

Mr. Yuen Chi Ho *(Chairman)*
Mr. Yip Wai Ming
Dr. Chuang Shu-Hui

REMUNERATION COMMITTEE

Mr. Yuen Chi Ho *(Chairman)*
Mr. Cheng Li-Yu
Mr. Huang Kuo-Kuang
Mr. Yip Wai Ming
Dr. Chuang Shu-Hui

NOMINATION COMMITTEE

Mr. Cheng Li-Yu *(Chairman)*
Mr. Huang Kuo-Kuang
Mr. Yip Wai Ming
Mr. Yuen Chi Ho
Dr. Chuang Shu-Hui

CORPORATE GOVERNANCE COMMITTEE

Mr. Yip Wai Ming *(Chairman)*
Mr. Cheng Li-Yu
Mr. Huang Kuo-Kuang
Mr. Yuen Chi Ho
Dr. Chuang Shu-Hui

LEGAL ADVISERS AS TO HONG KONG LAWS

Chiu & Partners

AUDITORS

Ernst & Young
Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

Bank of China
Bank SinoPac
Cathay United Bank
CTBC Bank
E. Sun Bank
Fubon Bank
Industrial and Commercial Bank of China
KGI Bank
Taishin Bank
United Overseas Bank
Mega International Commercial Bank

CORPORATE INFORMATION

REGISTERED OFFICE

Cricket Square
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PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 3311-3312, Jardine House
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PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

No. 666 Yin Jia Road
Wujiang Economic Development District
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The People's Republic of China

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A
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P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

WEBSITE

www.irasia.com/listco/hk/juteng

STOCK CODE

3336.HK and 9136.TT

FINANCIAL HIGHLIGHTS

	Notes	For the six months ended 30 June 2026 (Unaudited)	2025 (Unaudited)	Changes
Operating Results:				
Revenue (HK$ million)		**2,572**	2,715	-5.3%
Loss attributable to equity holders of the Company (HK$ million)		**(813)**	(79)	+929.1%
Losses per share				
Basic (HK cents)		**(96.2)**	(9.4)	+923.4%
Diluted (HK cents)		**(96.2)**	(9.4)	+923.4%
Profitability Ratio:				
Gross profit margin		**2.5%**	2.7%	-0.2%
Operating loss margin	*1*	**-12.0%**	-8.2%	-3.8%
Net loss margin	*2*	**-31.6%**	-2.9%	-28.7%
EBITDA (HK$ million)		**-760**	279	-372.4%
Return on equity	*3*	**-38.8%**	-3.4%	-35.4%
Liquidity and Capital Ratio:				
Inventory turnover days	*4*	**80**	78	+2.6%
Trade receivables turnover days	*5*	**147**	145	+1.4%
Trade and bills payables turnover days	*6*	**71**	65	+9.2%
Interest coverage	*7*	**-1,574.2%**	-62.4%	-1,511.8%
Net debt to equity	*8*	**45.3%**	28.4%	+16.9%
Net cash flows from/(used in) operating activities (HK$ million)		**(93)**	149	-162.4%

Notes:

(1) Operating loss margin equals operating loss divided by revenue. Operating loss includes gross profit, net of selling and distribution expenses and administrative expenses.

(2) Net loss margin equals loss attributable to equity holders of the Company divided by revenue.

(3) Return on equity equals loss attributable to equity holders of the Company divided by the average of the beginning and closing balance of equity attributable to equity holders of the Company, and is calculated on an annualized basis.

(4) Inventory turnover days is equal to the closing balance of inventories divided by cost of sales and multiplied by the number of days in the period.

(5) Trade receivables turnover days is equal to the closing balance of trade receivables divided by revenue and multiplied by the number of days in the period.

(6) Trade and bills payables turnover days is equal to the closing balance of trade and bills payables divided by cost of sales and multiplied by the number of days in the period.

(7) Interest coverage ratio equals loss before tax and finance costs divided by finance costs.

(8) Net debt to equity equals net debt divided by net assets. Net debt includes all interest-bearing bank and other borrowings, net of cash and cash equivalents.

The board (the "Board") of directors (the "Directors") of Ju Teng International Holdings Limited (the "Company" or "Ju Teng") is pleased to present the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 (the "Period") as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	For the six months ended 30 June **2026** **(Unaudited)** ***HK$'000***	 2025 (Unaudited) *HK$'000*
REVENUE	*3*	**2,571,816**	2,714,737
Cost of sales		**(2,508,143)**	(2,642,056)
Gross profit		**63,673**	72,681
Other income and gains	*3*	**32,259**	208,969
Selling and distribution expenses		**(146,507)**	(73,207)
Administrative expenses		**(225,601)**	(223,343)
Other expenses		**(727,108)**	(35,177)
Finance costs	*4*	**(63,733)**	(80,235)
LOSS BEFORE TAX	*5*	**(1,067,017)**	(130,312)
Income tax expense	*6*	**(12,812)**	(2,813)
LOSS FOR THE PERIOD		**(1,079,829)**	(133,125)
Attributable to:			
Equity holders of the Company		**(813,139)**	(79,072)
Non-controlling interests		**(266,690)**	(54,053)
		(1,079,829)	(133,125)
LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	*8*		
– Basic (HK cents)		**(96.2)**	(9.4)
– Diluted (HK cents)		**(96.2)**	(9.4)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
LOSS FOR THE PERIOD	**(1,079,829)**	(133,125)
OTHER COMPREHENSIVE INCOME/(EXPENSES)		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**393,463**	226,971
Release of exchange fluctuation reserve upon deregistration of a subsidiary	**–**	8,298
	393,463	235,269
Other comprehensive income/(expenses) that will not be reclassified to profit or loss in subsequent periods:		
Equity investment designated at fair value through other comprehensive income ("**FVOCI**"):		
Change in fair value	**6,477**	(5,623)
Income tax effect	**(238)**	–
	6,239	(5,623)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**399,702**	229,646
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE PERIOD	**(680,127)**	96,521
Attributable to:		
Equity holders of the Company	**(501,759)**	148,261
Non-controlling interests	**(178,368)**	(51,740)
	(680,127)	96,521

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 (Unaudited) HK$'000	31 December 2025 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	**4,391,609**	4,255,229
Right-of-use assets		**706,719**	696,820
Deferred tax assets		**24,974**	24,792
Prepayments for acquisition of property, plant and equipment		**318,556**	369,291
Equity investment designated at fair value through other comprehensive income		**13,745**	14,571
Total non-current assets		**5,455,603**	5,360,703
CURRENT ASSETS			
Inventories		**1,109,813**	1,317,837
Trade receivables	10	**2,084,616**	2,407,698
Prepayments, deposits and other receivables		**190,923**	231,970
Restricted bank balances		**100,510**	100,523
Cash and cash equivalents		**590,821**	892,428
		4,076,683	4,950,456
Non-current assets classified as held for sale		**36,610**	35,326
Total current assets		**4,113,293**	4,985,782
CURRENT LIABILITIES			
Trade and bills payables	11	**980,904**	952,609
Other payables and accruals		**1,035,959**	1,091,969
Lease liabilities		**1,394**	1,354
Tax payables		**9,933**	12,898
Interest-bearing bank and other borrowings	12	**1,927,645**	2,765,398
Total current liabilities		**3,955,835**	4,824,228

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

30 June 2026

	Notes	**30 June 2026 (Unaudited) *HK$'000***	31 December 2025 (Audited) *HK$'000*
NET CURRENT ASSETS		**157,458**	161,554
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,613,061**	5,522,257
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings	*12*	**801,940**	23,969
Deferred income		**38,542**	36,452
Lease liabilities		**8,948**	9,613
Deferred tax liabilities		**43,287**	51,752
Total non-current liabilities		**892,717**	121,786
Net assets		**4,720,344**	5,400,471
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	*13*	**120,001**	120,001
Reserves		**3,854,010**	4,355,769
		3,974,011	4,475,770
Non-controlling interests		**746,333**	924,701
Total equity		**4,720,344**	5,400,471

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to equity holders of the Company											
	Issued capital *HK$'000*	Share premium account* *HK$'000*	Shares held under share award plan* *HK$'000*	Employee share-based compensation reserve* *HK$'000*	Statutory reserve fund* *HK$'000*	Exchange fluctuation reserve* *HK$'000*	Retained profits* *HK$'000*	Fair value reserve* *HK$'000*	Other reserves* *HK$'000*	Total *HK$'000*	Non-controlling interests *HK$'000*	Total equity *HK$'000*
(Unaudited)												
At 1 January 2025	120,001	187,919	(699,766)	5,325	615,891	(1,005,082)	5,086,680	2,265	323,963	4,637,196	1,077,128	5,714,324
Loss for the period	-	-	-	-	-	-	(79,072)	-	-	(79,072)	(54,053)	(133,125)
Other comprehensive income/(expenses) for the Period:												
Change in fair value of an equity investment designated at FVOCI, net of tax	-	-	-	-	-	-	-	(5,623)	-	(5,623)	-	(5,623)
Exchange differences on translation of foreign operations	-	-	-	-	-	224,658	-	-	-	224,658	2,313	226,971
Release of exchange fluctuation reserves upon deregistration of a subsidiary	-	-	-	-	-	8,298	-	-	-	8,298	-	8,298
Total comprehensive income/(expenses) for the Period	-	-	-	-	-	232,956	(79,072)	(5,623)	-	148,261	(51,740)	96,521
Transfer (to)/from retained profits	-	-	-	(5,325)	16,412	-	(11,087)	-	-	-	-	-
Dividends paid to non-controlling shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(9,604)	(9,604)
At 30 June 2025	120,001	187,919	(699,766)	-	632,303	(772,126)	4,996,521	(3,358)	323,963	4,785,457	1,015,784	5,801,241
(Unaudited)												
At 1 January 2026	**120,001**	**187,919**	**(699,766)**	**-**	**632,015**	**(670,549)**	**4,582,166**	**21**	**323,963**	**4,475,770**	**924,701**	**5,400,471**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(813,139)**	**-**	**-**	**(813,139)**	**(266,690)**	**(1,079,829)**
Other comprehensive income for the Period:												
Change in fair value of an equity investment designated at FVOCI, net of tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,239**	**-**	**6,239**	**-**	**6,239**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**-**	**-**	**305,141**	**-**	**-**	**-**	**305,141**	**88,322**	**393,463**
Total comprehensive income/(expenses) for the Period	**-**	**-**	**-**	**-**	**-**	**305,141**	**(813,139)**	**6,239**	**-**	**(501,759)**	**(178,368)**	**(680,127)**
Transfer of fair value reserve upon the disposal of equity investment designated at FVOCI	**-**	**-**	**-**	**-**	**-**	**-**	**1,833**	**(1,833)**	**-**	**-**	**-**	**-**
Transfer from retained profits	**-**	**-**	**-**	**-**	**20,512**	**-**	**(20,512)**	**-**	**-**	**-**	**-**	**-**
At 30 June 2026	**120,001**	**187,919**	**(699,766)**	**-**	**652,527**	**(365,408)**	**3,750,348**	**4,427**	**323,963**	**3,974,011**	**746,333**	**4,720,344**

* These reserve accounts comprise the consolidated reserves of HK$3,854,010,000 (31 December 2025: HK$4,355,769,000) in the condensed consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from/(used in) operations	**(9,904)**	231,463
Income tax paid	**(13,954)**	(13,134)
Income tax refunded	**–**	1,033
Withholding tax paid	**(8,756)**	–
Interest received	**7,582**	12,522
Interest paid	**(68,440)**	(83,278)
Net cash flows from/(used in) operating activities	**(93,472)**	148,606
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	**(116,136)**	(51,540)
Proceeds from disposal of items of property, plant and equipment, right-of-use assets	**13,371**	36,210
Proceeds from disposal of items of non-current assets classified as held for sale	**–**	155,990
Proceeds from disposal of equity investment designated at FVOCI	**7,346**	–
Decrease in restricted bank balances	**13**	6,374
Increase in prepayments for acquisition of property, plant and equipment	**(48,040)**	(293,904)
Net cash flows used in investing activities	**(143,446)**	(146,870)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank loans and other borrowings	**892,880**	762,959
Repayment of bank loans and other borrowings	**(986,669)**	(627,062)
Principal portion of lease payments	**(668)**	(891)
Dividends paid to non-controlling shareholders of subsidiaries	**–**	(9,604)
Net cash flows from/(used in) financing activities	**(94,457)**	125,402
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(331,375)**	127,138
Cash and cash equivalents at beginning of Period	**892,428**	1,028,404
Effect of foreign exchange rate changes, net	**29,768**	4,532
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**590,821**	1,160,074
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**590,821**	1,160,074

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The condensed consolidated interim financial information 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 condensed consolidated interim 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 financial statements for the year ended 31 December 2025. The accounting policies and basis of preparation adopted in the preparation of the interim financial information are the same as those used in the annual 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 feature. 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. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the condensed consolidated interim financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(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 condensed consolidated interim 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 condensed consolidated interim financial information.

As at 30 June 2026, the Group has interest-bearing bank and other borrowings of HK$2,729,585,000. The Group complied with all loan covenants of the syndicated loan at the end of the reporting period, except for the interest coverage ratio for the period from 1 January 2026 to 30 June 2026, and a waiver for this interest coverage ratio was obtained from the relevant banks during the Period. Pursuant to the facility agreement of the syndicated bank loan, the Group is required to report to the syndicate of banks its compliance with loan covenants as at 30 June and 31 December during the loan period until 2029. In order to improve the Group's financial position and liquidity, the directors of the Company have formulated a number of measures, including but not limited to the followings:

– the Group has a history of successful rollover of revolving loans. The Group will continue to negotiate with banks to refinance and extend existing bank and other borrowing facilities, and to obtain new sources of financing by pledging certain of the Group's land and properties, if needed;

– the Group has approximately HK$855,488,000 of unutilised revolving loan facilities available to finance the Group's existing financial obligations and operations; and

– as at 30 June 2026, according to the sale and purchase agreements entered into by the Group and the purchaser in relation to the Group's disposal of certain leasehold land and owned buildings classified as non-current assets held for disposal, the Group has outstanding proceeds of approximately HK$329,202,000 from such disposal. The Group will continue to pursue this outstanding amount.

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Taken into account the above measures, the directors of the Company consider that the Group would have adequate resources to meet its liabilities, commitments and funding requirements as and when they fall due within twelve months from 30 June 2026 and hence the Group adopted the going concern basis in preparing the condensed consolidated interim financial information.

2. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the business of manufacture and sale of casings for notebook computer and handheld devices. For management purposes, the Group operates in one business unit based on its casing products, and has one reportable operating segment.

No operating segments have been aggregated to form the above reportable operating segment.

Geographical information

Revenue from external customers:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The People's Republic of China (the "PRC" or "Chinese mainland"), excluding Hong Kong	**1,973,501**	2,401,545
The Socialist Republic of Vietnam (the "Vietnam")	**266,204**	24,903
Others	**332,111**	288,289
	2,571,816	2,714,737

The revenue information above is based on the locations where the products are delivered to the customers.

During the six months ended 30 June 2026 and 30 June 2025, except for the revenue from external customers in the PRC and Vietnam, the Group's revenue derived from each of other locations was less than 10% of the Group's revenue.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue from contracts with customers		
Sale of casings for notebook computer and handheld devices	**2,571,816**	2,714,737

Revenue from contracts with customers

(i) Disaggregated revenue information

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Geographical markets		
The PRC, excluding Hong Kong	**1,973,501**	2,401,545
Vietnam	**266,204**	24,903
Others	**332,111**	288,289
	2,571,816	2,714,737
Timing of revenue recognition		
Goods transferred at a point in time	**2,571,816**	2,714,737

(ii) Performance obligation

Sale of casings for notebook computer and handheld devices

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 60 to 120 days from delivery.

3. REVENUE, OTHER INCOME AND GAINS (continued)

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest income	**7,582**	12,522
Subsidy income#	**1,657**	2,633
Compensation income	**4,332**	14,113
Gross rental income	**13,209**	10,179
Gain on disposal of items of property, plant and equipment and right-of-use assets, net	**2,278**	3,581
Gain on disposal of items of non-current assets classified as held for sale	**–**	138,860
Reversal of impairment of trade receivables	**2,444**	534
Write-off of long outstanding other payables and accruals	**–**	22,618
Fair value gains on derivative financial instrument, net	**–**	741
Others	**757**	3,188
	32,259	208,969

\# Various government subsidies have been received for enterprises engaged in businesses in Chinese mainland for promoting the manufacturing industry. There are no unfulfilled conditions or contingencies relating to these subsidies.

4. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank and other borrowings	**68,237**	83,161
Interest on lease liabilities	**203**	117
Total interest expense on financial liabilities not at fair value through profit or loss	**68,440**	83,278
Less: Interest capitalised	**(4,707)**	(3,043)
	63,733	80,235

5. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**2,508,143**	2,642,056
Depreciation of property, plant and equipment	**234,410**	320,494
Depreciation of right-of-use assets	**9,083**	9,043
Provision for inventories, net	**81,433**	98,051
Write-off of trade receivables	**4,260**	8,987
Foreign exchange losses, net	**210,887**	23,562
Fair value gains on derivative financial instruments, net	**–**	(741)

6. INCOME TAX

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current:		
The PRC, excluding Hong Kong		
– Charge for the period	**198**	2,633
– Overprovision in prior years	**–**	(896)
Overseas		
– Charge for the period	**11,313**	10,577
– Underprovision/(overprovision) in prior years	**1,353**	(9,628)
Deferred tax	**(52)**	127
Total tax charge for the period	**12,812**	2,813

7. INTERIM DIVIDEND

The Board did not propose to declare any interim dividend for the Period (six months ended 30 June 2025: Nil).

8. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the Period attributable to equity holders of the Company of HK$813,139,000 (six months ended 30 June 2025: HK$79,072,000) and the weighted average number of 845,662,671 (six months ended 30 June 2025: 845,662,671) ordinary shares outstanding excluding shares held under the share award plan during the Period.

For the six months ended 30 June 2026 and 2025, no adjustments have been made to the basic loss per share amounts in respect of a dilution as the Group had no potentially dilutive ordinary shares outstanding.

9. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group acquired property, plant and equipment of approximately HK$219,618,000 (six months ended 30 June 2025: approximately HK$219,422,000) and disposed of property, plant and equipment with an aggregate net book value of approximately HK$11,093,000 (six months ended 30 June 2025: approximately HK$33,190,000).

The amount of borrowing costs capitalised during the Period was approximately HK$4,707,000 (six months ended 30 June 2025: approximately HK$3,043,000).

10. TRADE RECEIVABLES

	As at 30 June 2026 (Unaudited) ***HK$'000***	As at 31 December 2025 (Audited) *HK$'000*
Trade receivables	**2,085,761**	2,411,287
Impairment	**(1,145)**	(3,589)
	2,084,616	2,407,698

The general credit terms of the Group range from 60 to 120 days. Trade receivables are non-interest-bearing. The Group does not hold any collateral or other credit enhancements over these balances.

An ageing analysis of the Group's trade receivables as at the end of the Period, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2026 (Unaudited) ***HK$'000***	As at 31 December 2025 (Audited) *HK$'000*
Within 3 months	**1,292,928**	1,329,035
4 to 6 months	**723,427**	972,374
7 to 12 months	**68,261**	106,289
	2,084,616	2,407,698

11. TRADE AND BILLS PAYABLES

The trade payables are non-interest-bearing and are normally settled on terms of 60 to 120 days.

An ageing analysis of the Group's trade and bills payables as at the end of the Period, based on the invoice date and issuance date, respectively, is as follows:

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
Within 3 months	**576,852**	645,686
4 to 6 months	**371,930**	285,883
7 to 12 months	**20,056**	14,233
Over 1 year	**12,066**	6,807
	980,904	952,609

12. INTEREST-BEARING BANK AND OTHER BORROWINGS

As at 30 June 2026, the Group has interest-bearing bank and other borrowings of HK$2,729,585,000 (31 December 2025: HK$2,789,367,000). The Group complied with all loan covenants of the syndicated loan at the end of the reporting period, except for the interest coverage ratio for the period from 1 January 2026 to 30 June 2026, and a waiver for this interest coverage ratio was obtained from the relevant banks during the Period.

13. SHARE CAPITAL

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
Authorised:		
2,000,000,000 shares of HK$0.1 each	**200,000**	200,000
Issued and fully paid:		
1,200,008,445 shares of HK$0.1 each	**120,001**	120,001

Share options

Details of the Company's share option scheme and the share options granted are included in note 14 to the interim financial information.

14. SHARE-BASED COMPENSATION

(a) Share option scheme

A share option scheme (the "Old Scheme") was adopted by the Company on 11 May 2015 and was expired on 10 May 2025 and a new share option scheme (the "New Scheme") was adopted by the Company on 28 May 2025. Details of the terms of the Old Scheme were disclosed in the Group's annual financial statements as at 31 December 2025.

No share options were granted, exercised, lapsed, forfeited or cancelled under the Old Scheme and New Scheme and there were no share options outstanding during the period ended 30 June 2025 and 2026.

(b) Share award plan

The Board approved the adoption of the new share award plan (the "Share Award Plan") with effect from 19 May 2017. The purpose of the Share Award Plan is to (i) recognise and reward the contribution of certain eligible participants to the growth and development of the Group through an award of shares and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (ii) attract suitable personnel for further development of the Group. The vesting period of the awarded shares is determined by the board of directors.

As at 30 June 2026 and 31 December 2025, a total of 354,345,774 shares were held by the Bank of Communications Trustee Limited, the trustee under the Share Award Plan.

15. CONTINGENT LIABILITIES

At the end of the Period, the Group did not have any significant contingent liabilities.

16. PLEDGE OF ASSETS

As at 30 June 2026, none of the Group's assets were pledged to secure banking facilities granted to the Group. As at 31 December 2025, certain land and buildings with a net carrying amount of approximately HK$20 million were pledged to secure certain banking facilities granted to the Group.

17. COMMITMENTS

The Group had the following contractual commitments as at the end of the Period:

	As at 30 June 2026 (Unaudited) *HK$'000*	As at 31 December 2025 (Audited) *HK$'000*
Buildings	**114,933**	116,149
Machinery and office equipment	**84,663**	81,191
Total contractual commitments	**199,596**	197,340

18. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with related parties during the Period:

	Notes	**For the six months ended 30 June 2026 (Unaudited) *HK$'000***	For the six months ended 30 June 2025 (Unaudited) *HK$'000*
Lease payments paid to:			
Ms. Cheng Shao-Wen	*(i)*	**70**	69
Mr. Cheng Yung-Kang	*(ii)*	**29**	28
禾涎股份有限公司("禾涎")	*(iii)*	**109**	145
Ms. Lin Mei-Li	*(iv)*	**30**	30

Notes:

(i) Ms. Cheng Shao-Wen is the daughter of Mr. Cheng Li-Yu, a director of the Company. The rentals were determined at rates mutually agreed between the relevant parties.

(ii) Mr. Cheng Yung-Kang is the son of Mr. Cheng Li-Yu, a director of the Company. The rentals were determined at rates mutually agreed between the relevant parties.

(iii) Ms. Cheng Shao-Wen and Mr. Cheng Yung-Kang are the directors of 禾涎. Ms. Lin Mei-Li, the spouse of Mr. Cheng Li-Yu, a director of the Company, Ms. Cheng Shao-Wen and Mr. Cheng Yung-Kang are the shareholders of 禾涎. The rentals were determined at rates mutually agreed between the relevant parties.

(iv) Ms. Lin Mei-Li is the spouse of Mr. Cheng Li-Yu, a director of the Company. The rentals were determined at rates mutually agreed between the relevant parties.

18. RELATED PARTY TRANSACTIONS (continued)

(b) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Short term employee benefits	**5,200**	6,127

19. FAIR VALUE AND FAIR VALUE HIERARCHY

The carrying amounts of the Group's financial instruments as at 30 June 2026 and 31 December 2025 approximate to their fair values. The Group uses fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities for determining and disclosing the fair values of an equity investment designated at fair value through other comprehensive income and derivative financial instruments. As at 30 June 2026, the Group's financial instruments which comprise an equity investment designated at fair value through other comprehensive income, were measured at fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 under the fair value hierarchy).

During the Period, there were no transfers of fair value measurements between Level 1 and Level 2, and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW & PROSPECTS

Looking back at the first half of 2026 (the "Period"), the global economic and trade environment continued to be characterized by volatility, while the personal computer ("PC") market faced pressures from tightened memory supply and rising component costs. Supported by some demand being released early in the first quarter, the PC market slowed in the second quarter as the rising memory prices drove up PC production costs and terminal product prices, dampening the consumption demand. According to the survey report released by Gartner, Inc., a market research organization, the global PC shipments in first quarter of 2026 reached 62.8 million units, representing an increase of 4% as compared with that in first quarter of 2025. In the second quarter of 2026, as the early stocking effect faded, tariff uncertainties intensified, and memory shortages worsened, the market momentum significantly weakened. According to the survey data released by International Data Corporation ("IDC"), the PC shipments fell to 68.2 million units in the quarter, representing a year-on-year decline of 4.9%, which was the first negative growth since nine consecutive quarters of expansion, reflecting the weakening industry conditions in the latter half of the Period. In terms of the regional performance, the PC shipments from China in the second quarter of 2026 reached 9.92 million units, representing a year-on-year decline of 1.6%, outperforming the global average. This was primarily driven by the commercial procurement demands from government and large enterprises for their digital transformation initiatives, partially offsetting the weak consumption demand and cost pressures from rising memory prices. While the structural demands in the commercial sector still provided some buffer, the uncertain global economic prospects and increasing policy variables reduced visibility into the future industry prospects, heightening operational challenges during the Period.

As one of the world's leading notebook computer casing manufacturers, the manufacturing of notebook computer casings and 2-in-1 computer casings remained the Group's major source of revenue. In the first half of 2026, attributable to the fact that the global PC market was impacted by the memory shortage which drove up costs and selling prices, thereby weakening end-user consumption demand and leading to a reduction in orders from customers, the Group's sales performance was under pressure, and the Group recorded revenue of approximately HK$2,572 million (2025: approximately HK$2,715 million). Despite the measures adopted by the Group to lower the operating costs and adjust operation and production strategies, the Group recorded a loss attributable to equity holders of the Company of approximately HK$813 million (2025: approximately HK$79 million) for the Period mainly due to the compound effect of the following factors in addition to the aforementioned decrease in sales revenue: (i) the increased foreign exchange losses incurred; (ii) the absence of a one-off gain on disposal recognized in the corresponding period in 2025; (iii) the reclassification of certain trial production costs for certain new products from cost of sales to selling and distribution expenses during the Period in order to more effectively reflect the production costs of products sold, and thereby contributed to the increase in relevant expenses; and (iv) the decrease in production orders during the Period which led to low utilization rates of production capacity, resulting in certain production cost being classified as idle capacity costs, which in turn reduced the amount of costs capitalized into inventories.

BUSINESS REVIEW & PROSPECTS (continued)

During the Period, Lens Technology Co., Ltd. (as purchaser) entered into the share purchase agreement with certain shareholders of the Company (as vendors) for the sale and purchase of approximately 27.81% issued shares in the Company, and the transactions contemplated thereunder are still in progress. As at the date of this report, such transactions have not yet been completed. For further details, please refer to the announcements of the Company dated 18 May 2026, 8 June 2026, 7 July 2026 and 7 August 2026. Further announcement(s) will be made as and when appropriate in compliance with the Listing Rules and the Hong Kong Code on Takeovers and Mergers. The Group will continue to monitor the market trends, flexibly adjust production arrangements across various factories, and periodically review asset optimization plans, aiming to fully leverage its competitive advantages of the global production network when the industry demand recovers.

Looking ahead to the second half of the year, during the ongoing Windows operating system iteration cycle, the demands for hardware upgrades among enterprises and individual users are expected to gradually emerge, providing support for the global PC industry. According to the data released by StatCounter, a website traffic analysis tool, as of June 2026, in the global desktop Windows operating system market, the market share of the Windows 11 operating system was 69.92%, while that of the Windows 10 operating system was 28.1%. In the domestic market of China, the market share of the Windows 11 operating system was 57.46%, while that of the Windows 10 operating system maintained 38.58%. The data indicates that there remains a significant portion of terminal devices worldwide including in China still running the Windows 10 operating system, offering ample room for hardware replacement. As security risks continue to accumulate, enterprises and individual users are expected to proceed with device updates in a gradual manner. It is anticipated that demands for product replacement will sustainably emerge, laying the foundation for boosting industry prosperity.

BUSINESS REVIEW & PROSPECTS (continued)

The continuous iteration of artificial intelligence ("AI") technology is injecting new momentum into the PC industry. As on-device AI computing power continues to shift toward end devices, AI-powered PCs equipped with neural network processing units ("AI PC") now possess localized intelligent computing capabilities. Applications such as real-time translation and image generation continue to expand, and users' awareness and acceptance of next-generation smart terminals steadily rise. The corporate users' feedback has been particularly positive. According to the survey report released by Futurum Group on 818 global enterprise IT decision-makers in the second quarter of 2026, about 80.4% of respondents preferred to purchase AI PC as compared with that six months ago, while just 47.1% of respondents preferred a traditional PC, reflecting the accelerating preference for AI terminals in the enterprise market. Meanwhile, according to the latest forecast released by IDC, the global shipments of generative AI-powered computers (Gen AI PC) are expected to reach 50 million units in 2026, accounting for 19.6% of the total PC shipments, marking the entry of AI terminals into a phase of large-scale adoption. The rapid penetration of AI PC not only boosts the terminal replacement demand, but also drives the product structure optimization and overall value enhancement. It is expected that this round of technological upgrades will stimulate purchasing intentions in the consumer market, and create space for development in the upstream and downstream of the industrial chain. The Group will continue to monitor AI PC technology roadmap iterations and evolving terminal demand, and flexibly coordinate R&D and production resource allocation, so as to secure a competitive edge during the product upgrades and inject sustainable momentum for long-term development.

Currently, the PC industry is undergoing a phase of cyclical adjustment intertwined with technological innovation. While the market operations face numerous uncertainties in the short term, structural development opportunities persist for the long term. The Group will adhere to its consistent prudent operating approach, flexibly allocate global operational resources, carefully manage overall operational pace, and respond timely to market environment changes. Meanwhile, the Group closely tracks industry trends in hardware updates and AI technological advancements, continuously enhances its product portfolios and operational support capabilities. By steadily addressing short-term operational challenges and systematically deploying long-term development directions, the Group will continuously strengthen its comprehensive competitiveness, promote sustainable business growth, and create long-term and sustainable returns for its stakeholders.

FINANCIAL REVIEW

Revenue and Gross Profit Margin

During the Period, as the global memory shortage drove up product costs and selling prices, thereby weakening end-user consumption and leading to a continued reduction in orders placed with the Group by major notebook computer customers. Consequently, the Group's revenue for the Period declined by approximately 5.3% as compared with the corresponding period of last year to approximately HK$2,572 million (2025: approximately HK$2,715 million). Despite the Group's implementation of stringent cost control measures during the Period, the Group's gross profit margin for the Period slightly decreased to approximately 2.5% (2025: approximately 2.7%), following the classification of certain idle capacity costs under other expenses due to low capacity utilization rate, and the reclassification of certain trial production costs for new products to selling and distribution expenses during the Period, to more reasonably reflect the product costs of product sold.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (continued)

Other income and gains

During the Period, as disclosed in the note 3 to the condensed consolidated interim financial information, due to the absence of a one-off gain on disposal of non-current assets classified as held for sale of approximately HK$139 million and a write-off of long outstanding other payables of approximately HK$23 million recognized in the corresponding period of last year, the Group recorded a decrease of approximately 84.6% in other income and gains as compared with the corresponding period of last year to approximately HK$32 million (2025: approximately HK$209 million), representing approximately 1.3% (2025: approximately 7.7%) of the Group's revenue.

Operating costs

During the Period, the Group recorded an increase of approximately 25.5% in operating costs, including administrative expenses and selling and distribution expenses, as compared with the corresponding period of last year to approximately HK$372 million (2025: approximately HK$297 million). Such increase was mainly attributable to the reclassification of trial production costs for new products as selling and distribution expenses during the Period in order to more effectively reflect the production costs of products sold. Operating costs accounted for approximately 14.5% (2025: approximately 10.9%) of the Group's revenue.

Other expenses

During the Period, other expenses of the Group mainly consisted of net foreign exchange losses of approximately HK$211 million (2025: approximately HK$24 million) arising from the appreciation of Renminbi ("RMB") against United States Dollar ("USD"), mainly resulting from the translation of trade receivables denominated in USD; write-off of trade receivables of approximately HK$4 million (2025: approximately HK$9 million); and idle capacity costs of approximately HK$510 million (2025: Nil) (mainly comprising staff costs, depreciation of property, plant and equipment, utility expenses and mould amortization), reclassified from cost of sales to other expenses during the Period. The Group's other expenses increased substantially as compared with the corresponding period of last year to approximately HK$727 million (2025: approximately HK$35 million), mainly due to the recognition of idle capacity costs and the increase in net foreign exchange losses for the Period, accounting for approximately 28.3% (2025: approximately 1.3%) of the Group's revenue.

Finance costs

Finance costs of the Group decreased by approximately 20.6% as compared with the corresponding period of last year to approximately HK$64 million (2025: approximately HK$80 million) for the Period, which was mainly attributable to the decrease in bank borrowings as compared with corresponding period of last year. Interest capitalised during the Period was approximately HK$5 million (2025: approximately HK$3 million).

Income tax expenses

Despite the Group's operating losses for the Period, the Group has provided income tax expenses on the operating profit generated by certain subsidiaries and deferred tax assets were not recognized for certain tax losses incurred by certain subsidiaries, the Group's income tax expense for the Period amounted to approximately HK$13 million (2025: approximately HK$3 million).

FINANCIAL REVIEW (continued)

Loss attributable to equity holders of the Company

Despite the measures adopted by the Group to lower the production costs and improve the efficiency through factory consolidation plans, the Group recorded a loss attributable to equity holders of the Company for the Period of approximately HK$813 million (2025: approximately HK$79 million), such increase in loss being mainly attributable to the significant decrease in other income and gains, as well as the substantial increase in selling and distribution expenses and other expenses during the Period.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, total bank and other borrowings of the Group amounted to approximately HK$2,730 million (31 December 2025: approximately HK$2,789 million), representing a decrease of approximately 2.1% as compared with that as at 31 December 2025. The Group's bank and other borrowings were at floating interest rates and included short-term loans with 1-year maturity, 2-year term loans, 3-year term loans and 5-year syndicated loans. As at 30 June 2026, the Group's bank and other loans denominated in USD, New Taiwan dollars and RMB were approximately HK$2,283 million (31 December 2025: approximately HK$2,477 million), approximately HK$12 million (31 December 2025: approximately HK$22 million) and approximately HK$435 million (31 December 2025: approximately HK$290 million), respectively.

During the Period, the Group recorded a net cash outflow from operating activities of approximately HK$93 million (2025: net cash inflow from operating activities of approximately HK$149 million), which was mainly due to the substantial increase in loss before tax. As a result of the purchase of manufacturing equipment for installation in the production plant in Vietnam, the Group recorded a net cash outflow from investing activities of approximately HK$143 million (2025: approximately HK$147 million) during the Period. During the Period, due to the decrease in bank borrowings, the Group recorded a net cash outflow from financing activities of approximately HK$94 million (2025: net cash inflow from financing activities of approximately HK$125 million). As at 30 June 2026, the Group had cash and bank balances of approximately HK$591 million (31 December 2025: approximately HK$892 million).

As at 30 June 2026, the Group's gearing ratio, calculated as total bank and other borrowings of approximately HK$2,730 million (31 December 2025: approximately HK$2,789 million) divided by total assets of approximately HK$9,569 million (31 December 2025: approximately HK$10,346 million), increased slightly to approximately 28.5% (31 December 2025: approximately 27.0%), which was mainly attributable to the decrease in total assets.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RATIOS

Due to the decline in sales and the Group's tightened inventory control policies, the inventory turnover days of the Group during the Period remained stable at approximately 80 days (2025: approximately 78 days). As at 30 June 2026, there was a decrease of approximately 15.8% in the Group's inventories to approximately HK$1,110 million (31 December 2025: approximately HK$1,318 million).

Trade receivables turnover days of the Group during the Period slightly increased to approximately 147 days (2025: approximately 145 days) which was due to the slower settlement from customers of the Group. Trade receivables as at 30 June 2026 was decreased by approximately 13.4% to approximately HK$2,085 million (31 December 2025: approximately HK$2,408 million).

Trade and bills payables turnover days of the Group during the Period increased to approximately 71 days (2025: approximately 65 days) which was primarily driven by the lengthened settlement period with suppliers. As at 30 June 2026, there was an increase in the Group's trade and bills payables of approximately 3.0% to approximately HK$981 million (31 December 2025: approximately HK$953 million).

PLEDGE OF ASSETS

As at 30 June 2026, none of the Group's assets were pledged to secure banking facilities granted to the Group. As at 31 December 2025, certain land and buildings with a net carrying amount of approximately HK$20 million were pledged to secure certain banking facilities granted to the Group.

FOREIGN EXCHANGE EXPOSURE

Since most of the Group's revenue is denominated in USD and most of the Group's expenses are denominated in RMB, an appreciation of RMB against USD will have adverse effect on the Group's profitability and vice versa. Accordingly, the Group had entered into forward foreign exchange contracts to mitigate possible exchange losses arising from the fluctuations in the values of the USD and RMB. During the Period, the Group recorded foreign exchange losses, net of approximately HK$211 million (2025: approximately HK$24 million) and no net fair value gain on derivative financial instruments had been recorded (2025: approximately HK$1 million). The management of the Group will continue to monitor the Group's foreign currency risk exposures and adopt prudent measures as appropriate to minimise the adverse effects arising from the foreign currency fluctuations.

EMPLOYEES

During the Period, the Group had approximately 21,000 employees (2025: approximately 22,600 employees) and recorded staff costs of approximately HK$1,003 million (2025: approximately HK$1,014 million).

The Group's employees are remunerated in line with prevailing market terms and individual performance, with the remuneration package and policies being reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and that of the individual employee. The Company has also adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants, including the employees of the Group, for (among others) their contribution to the growth and development of the Group, as well as a share award plan to recognize the contribution by eligible participants thereunder and to attract suitable personnel for further development of the Group. The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme for its employees in Hong Kong, and provides its PRC, the Republic of China (the "ROC") and Vietnam employees with welfare schemes as required by the applicable laws and regulations of the PRC, ROC and Vietnam.

CAPITAL COMMITMENT

As at 30 June 2026, the capital commitments which the Group had contracted for but were not provided for in the financial information in respect of the acquisition of buildings and machinery amounted to approximately HK$200 million (31 December 2025: approximately HK$197 million).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any significant contingent liabilities.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") were as follows:

		Long positions Number of ordinary shares of the Company of HK$0.1 each (the "Shares")				
Name of Directors		**Personal interests**	**Interests of spouse**	**Other interests**	**Total interests**	**Approximate percentage of the Company's issued share capital** *(Note 3)*
Mr. Cheng Li-Yen	Shares	–	–	303,240,986 *(Notes 1 & 2)*	303,240,986	25.27%
Mr. Cheng Li-Yu	Shares	23,408,000 *(Note 2)*	7,064,046 *(Note 2)*	303,240,986 *(Notes 1 & 2)*	333,713,032	27.81%
Mr. Chiu Hui-Chin	Shares	5,082,000	–	–	5,082,000	0.42%
Mr. Huang Kuo-Kuang	Shares	8,285,866	2,300,631	–	10,586,497	0.88%
Mr. Tsui Yung Kwok	Shares	6,156,000	–	–	6,156,000	0.51%

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY (continued)

Notes:

1. The Shares and the underlying Shares were registered in the name of Southern Asia Management Limited ("Southern Asia"), which was wholly owned by Shine Century Assets Corp. ("Shine Century"), the entire issued share capital of which was held in the name of East Asia International Trustees Limited as trustee for the Cheng Family Trust which was founded by Mr. Cheng Li-Yu. The beneficiaries of the Cheng Family Trust include Mr. Cheng Li-Yu and Mr. Cheng Li-Yen. Mr. Cheng Li-Yu is also a director of Southern Asia. Mr. Cheng Li-Yu and Mr. Cheng Li-Yen were deemed to be interested in all the Shares in which Southern Asia was interested by virtue of the SFO.

2. Pursuant to a conditional sale and purchase agreement dated 18 May 2026, Southern Asia, Mr. Cheng Li-Yu and Ms. Lin Mei-Li agreed to sell, and Lens Technology Co., Ltd. agreed to purchase, an aggregate 333,713,032 Shares in the Company. As at the date of this report, the completion of the said sale and purchase has not yet taken place. For further information, please refer to the joint announcements of the Company and Lens Technology Co., Ltd. dated 18 May 2026, 8 June 2026, 7 July 2026 and 7 August 2026.

3. These percentages are calculated on the basis of 1,200,008,445 Shares of the Company in issue as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Share Option Scheme" and "Share Award Scheme" and in note 14 to the interim financial information, at no time during or at the end of the period ended 30 June 2026 were there rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or minor child (natural or adopted), or were such rights exercised by them; nor was the Company or any of the Subsidiaries a party to any subsisted arrangement to enable the Directors to acquire such rights in the Company or any other body corporate.

SHARE OPTION SCHEME

The Company had adopted the share option scheme (the "2025 Share Option Scheme") on 28 May 2025, which shall be valid and effective for a period of 10 years from the date of adoption, subject to early termination by the Company in a general meeting. The 2025 Share Option Scheme has a remaining life of approximately 9 years.

The purposes of the 2025 Share Option Scheme are to (i) enable the Company to grant options to the Eligible Participants (as defined below) as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract and retain personnel to promote the sustainable development of the Group; and (iii) to align the interest of the grantees with those of the shareholders of the Company to promote the long-term financial and business performance of the Group.

SHARE OPTION SCHEME (continued)

Under the 2025 Share Option Scheme, the Directors may, at their absolute discretion, invite any person belonging to any of the following classes ("Eligible Participants"), to take up Options: (a) any employees (whether full time or part time, including any executive director, but excluding any non-executive directors) of the Company or any of its subsidiaries (and including persons who are granted options or awards under the 2025 Share Option Scheme as an inducement to enter into employment contracts with these companies); (b) any non-executive directors (including independent non-executive directors) of the Company or any of its subsidiaries; and (c) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company.

The maximum number of Shares which may be allotted and issued (including any treasury shares which may be transferred, as applicable) in respect of all Options and awards of Shares ("Awards") to be granted under the 2025 Share Option Scheme and any other share schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time ("Share Scheme") shall not exceed 10% of the number of Shares in issue (excluding treasury shares, if any) as at the date of approval of the 2025 Share Option Scheme, being 120,000,844 Shares. Unless expressly approved by the shareholders of the Company in general meeting and expressly allowed by the Stock Exchange, no Option or Award may be granted under the 2025 Share Option Scheme or any other Share Scheme if the grant of such Option or Award will result in the aforementioned limit being exceeded.

The subscription price in respect of any Option will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer; and (iii) (where applicable) the nominal value of a Share.

The offer of a grant of Options may be accepted within 21 days from the date of offer. A nominal consideration of HK$1 in total is payable by the grantee on acceptance of the grant of an Option. The exercise period of the Options granted is determinable by the Directors, which period may commence from the date of the offer, and ends on a date which is not later than 10 years from the date of offer.

The exercise price of the Options is determinable by the Directors, but shall not be less than the highest of (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day; (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option; and (c) (where applicable) the nominal value of a Share.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for share options. The Group accounts for the 2025 Share Option Scheme as an equity-settled plan. The Options do not confer rights on the grantees to dividends or to vote at shareholders' meetings.

OTHER INFORMATION

SHARE OPTION SCHEME (continued)

As at 1 January 2026 and 30 June 2026, there were no Options outstanding under the 2025 Share Option Scheme. During the Period, no Options were granted, exercised, cancelled or lapsed by the Company under the 2025 Share Option Scheme. Since no Option had been granted under the 2025 Share Option Scheme since its adoption and up to 30 June 2026, as at 1 January 2026 and 30 June 2026, 120,000,844 Options were available for grant under the scheme mandate of the 2025 Share Option Scheme.

As at the date of this interim report, the total number of Shares available for issue under the 2025 Share Option Scheme was 120,000,844 Shares, representing approximately 10% of the issued share capital of the Company.

SHARE AWARD PLAN

On 19 May 2017, a trust deed (the "Trust Deed") was entered into between the Company as settlor and Bank of Communications Trustee Limited as trustee (the "Trustee") in relation to the establishment of a trust (the "Trust") and adoption of a share award plan (the "Plan").

The purpose of the Plan is to recognize the contribution by eligible participants under the Plan and to attract suitable personnel for further development of the Group. The Company may make contribution to the Trust for the purpose of vesting awarded Shares with the selected participants. Pursuant to the Plan, the Board may from time to time at its sole discretion subject to requirements under the Plan, cause to be paid any sums of money to the Trustee and instruct the Trustee to purchase Shares in the market at prevailing market price. The Trustee will hold the awarded shares on trust for all or one or more of the selected participants until such awarded shares are vested with the relevant selected participants in accordance with the rules of the Plan.

The Plan is a discretionary scheme of the Company and shall be subject to the administration of the Board and the Trustee in accordance with the rules of the Plan and the Trust Deed. The Plan constitutes a share scheme funded by existing Shares within the meaning of Chapter 17 of the Listing Rules.

ELIGIBLE PARTICIPANTS AND MAXIMUM ENTITLEMENT

Any employee (whether full time or part time, including any executive Director but excluding any non-executive director) and any non-executive director (including independent non-executive director) of the Company, any Subsidiary or any Invested Entity and any person who provides services to the Group on a continuing or recurring basis, including business partners of any member of the Group such as suppliers, customers, sub-contractors and service providers, and the employees thereof. There is no maximum entitlement applicable to an individual participant of the Plan.

SHARE AWARD PLAN (continued)

VESTING PERIOD

The vesting period of an award of Shares commences on the date on which such Shares have been provisionally set aside by the Trustee to such the grantee and ends on the date on which the legal and beneficial title to the Shares awarded are transferred to the grantee, which shall be within ten business days after the latest of (a) such date as determined by the Board; and (b) where applicable, the date on which the condition(s) or performance target(s) (if any) to be attained by such grantee have been attained.

DETERMINATION OF PURCHASE PRICE

Where the Trustee effects a purchase of Shares by off-market transactions for satisfying an award under the Plan, the purchase price shall not be higher than the lower of (a) the closing market price per Share on the trading day immediately prior to such purchase on which the Shares were traded on the Stock Exchange, and (b) the average closing market price per Share for the five preceding trading days on which the Shares were traded on the Stock Exchange.

TERM

The Plan will remain in force for a period of 30 years since the date of adoption of the Plan, i.e. 19 May 2017, with a remaining life of approximately 21 years. Early termination may be done by the Board.

There were no awards outstanding as at 1 January 2026 and 30 June 2026, and during the six months ended 30 June 2026, (i) there were no unvested awards under the Plan; (ii) no award was granted by the Board to any eligible participants; and (iii) no awards were vested, cancelled nor lapsed.

The Plan is not a share scheme involving the grant of new shares within the meaning of Chapter 17 of the Listing Rules. Accordingly, the scheme mandate limit does not apply. However, in any given financial year, the Trustee shall not purchase more than 10% of the total number of issued Shares as at the beginning of such financial year for the purpose of the Plan. During the period ended 30 June 2026, no share was purchased by the Trustee.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the interests or short positions of the persons (other than a Director or chief executive of the Company) in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Long positions

Name of shareholders	Capacity and nature of interest	Number of Shares	Approximate percentage of the Company's issued share capital *(Note 5)*
Southern Asia *(Notes 1 & 2)*	Beneficial owner	303,240,986	25.27%
Shine Century Assets Corp. *(Notes 1 & 2)*	Interest of controlled corporations	303,240,986	25.27%
East Asia International Trustees Limited *(Notes 1 & 2)*	Trustee	303,240,986	25.27%
Ms. Lin Mei-Li *(Notes 2 & 3)*	Beneficial owner	7,064,046	0.59%
	Interest of spouse	326,648,986	27.22%
		333,713,032	27.81%
Lens Technology Co., Ltd. *(Notes 2 & 4)*	Beneficial owner	333,713,032	27.81%
Lens Technology (HK) Co., Limited *(Notes 2 & 4)*	Interest of controlled corporations	333,713,032	27.81%
Ms. Chau Kwan Fei *(Notes 2 & 4)*	Interest of controlled corporations	333,713,032	27.81%
Mr. Cheng Chun Lung *(Notes 2 & 4)*	Interest of spouse	333,713,032	27.81%
Bank of Communications Trustee Limited	Trustee	354,345,774	29.53%

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Notes:

1. The Shares were held by Southern Asia, which was wholly owned by Shine Century Assets Corp. The entire issued share capital of Shine Century Assets Corp. was held in the name of East Asia International Trustees Limited as trustee for the Cheng Family Trust. Shine Century Assets Corp. was deemed to be interested in all the Shares in which Southern Asia is interested by virtue of the SFO. East Asia International Trustees Limited was deemed to be interested in all the Shares in which Shine Century Assets Corp. was interested by virtue of the SFO. Mr. Cheng Li-Yu is also a director of Southern Asia. The Shares registered in the name of Southern Asia was also disclosed as the interest of Mr. Cheng Li-Yu and Mr. Cheng Li-Yen in the section headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company" above.

2. Pursuant to a conditional sale and purchase agreement dated 18 May 2026, Southern Asia, Mr. Cheng Li-Yu and Ms. Lin Mei-Li agreed to sell, and Lens Technology Co., Ltd. agreed to purchase, an aggregate 333,713,032 Shares in the Company. As at the date of this report, the completion of the said sale and purchase has not yet taken place. For further information, please refer to the joint announcements of the Company and Lens Technology Co., Ltd. dated 18 May 2026, 8 June 2026, 7 July 2026 and 7 August 2026.

3. Ms. Lin Mei-Li is the wife of Mr. Cheng Li-Yu and she was deemed to be interested in all the Shares in which Mr. Cheng Li-Yu was interested by virtue of the SFO.

4. Lens Technology Co., Ltd. is owned as to approximately 53.13% by Lens Technology (HK) Co., Limited and approximately 5.38% by Changsha Qunxin Investment Consulting Company Limited, which are in turn owned as to 100% and approximately 97.90% by Ms. Chau Kwan Fei, respectively. Ms. Chau Kwan Fei was deemed to be interested in all the Shares in which Lens Technology Co., Ltd. was interested by virtue of the SFO. Mr. Cheng Chun Lung is the husband of Ms. Chau Kwan Fei and he was deemed to be interested in all the Shares in which Ms. Chau Kwan Fei was interested by virtue of the SFO.

5. These percentages are calculated on the basis of 1,200,008,445 Shares of the Company in issue as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, no person (other than a Director or chief executive of the Company) had registered an interest or short position in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

CHANGES IN DIRECTOR'S BIOGRAPHICAL DETAILS

There are no other matters required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules or required to be brought to the attention of the shareholders of the Company during the Period and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

INTERIM DIVIDEND

The Directors did not recommend the payment of interim dividend for the Period.

CORPORATE GOVERNANCE PRACTICES

The Company continues to devote much effort on formulating and implementing sufficient corporate governance practices which it believes is crucial to its healthy growth and its business needs.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES (continued)

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Part 2 of Appendix C1 to the Listing Rules. The Company and its corporate governance committee periodically review its corporate governance practices to ensure its continuous compliance with the CG Code. Save as disclosed below, the Company had complied with the code provisions of the CG Code throughout the Period.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. With effect from 16 March 2022, Mr. Cheng Li-Yu assumed both roles as the chairman of the Board and the chief executive officer of the Company. The Board believes that having the same individual in both roles as chairman of the Board and the chief executive officer of the Company allows the Group to be managed under a consistent leadership and the overall strategy of the Group could be more effectively formulated and executed.

The Board will continue to review the management structure from time to time and shall make necessary changes when appropriate and inform the shareholders of the Company accordingly.

Pursuant to code provision F.1.3 of the CG Code, among others, the chairman of the Board should invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, the chairman should invite another member of the committee or failing this their duly appointed delegates to attend. Pursuant to code provision C.1.5 of the CG Code, among others, independent non-executive directors and other non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders.

During the Period, Mr. Cheng Li-Yen, a non-executive Director, was unable to attend the annual general meeting of the Company held on 22 May 2026 due to prior business commitments.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted and applied a code of conduct regarding the Directors' securities transaction on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all Directors, the Company is satisfied that all the Directors have fully complied with the required standards set out in the Model Code and the code of conduct of the Company during the Period.

AUDIT COMMITTEE

The audit committee of the Board has reviewed the accounting policies, accounting standards and practices adopted by the Group, the unaudited condensed consolidated interim financial information and results of the Group for the Period and this interim report without disagreement.

By order of the Board
Ju Teng International Holdings Limited
Cheng Li-Yu
Chairman and Chief Executive Officer

Hong Kong, 13 August 2026