K & P International Holdings Limited
堅寶國際控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock code: 675)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

UNAUDITED INTERIM RESULTS

The Board of Directors (the "Board") of K & P International Holdings Limited (the "Company") herein announces the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period of last year. These condensed consolidated interim financial statements have not been audited, but have been reviewed by the Company's audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026

		For the six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$***	*HK$*
REVENUE	*3*	**90,431,003**	81,107,649
Cost of sales		**(73,769,503)**	(65,531,557)
Gross profit		**16,661,500**	15,576,092
Other income and gains	*3*	**1,040,119**	1,892,251
Fair value gain on financial assets/liabilities at fair value through profit or loss, net		**535,878**	-
Selling and distribution costs		**(6,864,644)**	(8,208,706)
Administrative and other expenses		**(13,416,638)**	(14,933,953)
Finance costs	*4*	**(187,198)**	(170,951)
LOSS BEFORE TAX	*5*	**(2,230,983)**	(5,845,267)
Income tax (expenses)/credit	*6*	**(192,630)**	863,502
LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		**(2,423,613)**	(4,981,765)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	*8*		
Basic and diluted		**(HK0.91 cents)**	(HK1.87 cents)

Details of the interim dividend are disclosed in note 7 to the financial statements.

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$	*HK$*
LOSS FOR THE PERIOD	**(2,423,613)**	(4,981,765)
OTHER COMPREHENSIVE INCOME		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**6,606,610**	6,986,194
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	**4,182,997**	2,004,429

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 (Unaudited) HK$	31 December 2025 (Audited) HK$
NON-CURRENT ASSETS			
Property, plant and equipment		**171,776,059**	173,464,452
Financial assets at fair value through profit or loss	9	**1,148,683**	680,000
Deferred tax assets		**2,224,554**	2,312,974
Total non-current assets		**175,149,296**	176,457,426
CURRENT ASSETS			
Inventories		**32,847,066**	29,427,925
Prepayments, deposits and other receivables		**5,073,419**	2,856,083
Financial assets at fair value through profit or loss	9	**116,321**	-
Trade receivables	10	**36,066,719**	29,114,924
Tax recoverable		**624,612**	624,612
Bank balances and cash		**71,698,481**	73,852,401
Total current assets		**146,426,618**	135,875,945
CURRENT LIABILITIES			
Trade payables	11	**13,041,739**	9,941,301
Accrued liabilities and other payables		**29,079,168**	26,933,987
Interest-bearing bank and other borrowings		**7,000,000**	7,000,000
Lease liabilities		**375,397**	368,416
Dividend payable		**5,340,096**	-
Tax payable		**130,877**	183,343
Total current liabilities		**54,967,277**	44,427,047
NET CURRENT ASSETS		**91,459,341**	91,448,898
TOTAL ASSETS LESS CURRENT LIABILITIES		**266,608,637**	267,906,324
NON-CURRENT LIABILITIES			
Financial liabilities at fair value through profit or loss	9	**49,126**	-
Lease liabilities		**356,953**	546,667
Deferred tax liabilities		**27,027,194**	27,027,194
Total non-current liabilities		**27,433,273**	27,573,861
Net assets		**239,175,364**	240,332,463
EQUITY			
Share capital		**26,700,480**	26,700,480
Reserves		**212,474,884**	213,631,983
Total equity		**239,175,364**	240,332,463

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and Appendix D2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the Group's audited financial statements for the year ended 31 December 2025, except in relation to the following new/revised HKFRS Accounting Standards, which collective term includes all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), HKASs and Interpretations issued by the HKICPA, that are relevant to the Group and adopted for the first time of the current period's financial statements:

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

The adoption of the above other HKFRS Accounting Standards has had no material impact on the accounting policies of the Group and the methods of computation in the Group's condensed consolidated financial statements.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on its products and has two reportable operating segments as follows:

(a) the precision parts and components segment comprises the manufacture and sale of precision parts and components comprising keypads, synthetic rubber and plastic components and parts; and

(b) the corporate and others segment comprises the Group's long-term investments, together with corporate income and expense items.

Management, the chief operating decision makers, monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that bank interest income and finance costs are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the cost of sales and are eliminated on consolidation.

2. OPERATING SEGMENT INFORMATION (continued)

For six months ended 30 June 2026	**Precision parts and components (Unaudited)** *HK$*	**Corporate and others (Unaudited)** *HK$*	**Total (Unaudited)** *HK$*
Segment revenue:			
Sales to external customers	**90,431,003**	**-**	**90,431,003**
Reportable segment revenue and revenue	**90,431,003**	**-**	**90,431,003**
Segment results:	**(58,224)**	**(2,335,725)**	**(2,393,949)**
Reconciliation:			
Bank interest income			**350,164**
Finance costs			**(187,198)**
Loss before tax			**(2,230,983)**
Other segment information:			
Other income and gains	**664,514**	**25,441**	**689,955**
Depreciation of property, plant and equipment (excluding right-of-use assets)	**(2,986,018)**	**(681,296)**	**(3,667,314)**
Depreciation of right-of-use assets	**(290,148)**	**(1,869,065)**	**(2,159,213)**
Lease payments under short-term leases on office premium	**-**	**(130,968)**	**(130,968)**
Fair value gain on financial assets/liabilities at fair value through profit or loss, net	**535,878**	**-**	**535,878**
Foreign exchange (loss)/gain, net	**(2,119,441)**	**112,546**	**(2,006,895)**
Capital expenditure	**(469,483)**	**(23,880)**	**(493,363)**

2. OPERATING SEGMENT INFORMATION (continued)

For six months ended 30 June 2025	Precision parts and components (Unaudited) *HK$*	Corporate and others (Unaudited) *HK$*	Total (Unaudited) *HK$*
Segment revenue:			
Sales to external customers	81,107,649	-	81,107,649
Reportable segment revenue and revenue	81,107,649	-	81,107,649
Segment results:	(4,666,772)	(2,096,538)	(6,763,310)
Reconciliation:			
Bank interest income			1,088,994
Finance costs			(170,951)
Loss before tax			(5,845,267)
Other segment information:			
Other income and gains	777,816	25,441	803,257
Depreciation of property, plant and equipment (excluding right-of-use assets)	(2,838,291)	(545,588)	(3,383,879)
Depreciation of right-of-use assets	(279,992)	(1,889,549)	(2,169,541)
Lease payments under short-term leases on office premium	-	(111,252)	(111,252)
Foreign exchange (loss)/gain, net	(3,840,981)	112,874	(3,728,107)
Capital expenditure	(2,537,481)	(101,240)	(2,638,721)

2. OPERATING SEGMENT INFORMATION (continued)

Information about major customers

Revenue from external customers contributing 10% or more of the total revenue from the Group's precision parts and components segment are as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Customer A	-*	10,775,017
Customer B	-*	10,359,086
Customer C	**12,291,496**	8,443,528
	12,291,496	29,577,631

* These customers individually contributed less than 10% of the total revenue of the Group for the six months ended 30 June 2026

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Hong Kong	**1,905,602**	1,595,644
Chinese Mainland	**8,851,898**	7,941,386
Japan and other Asian countries	**43,480,072**	41,145,625
North America	**15,640,612**	13,050,835
South America	**9,721**	118,820
Europe	**18,685,007**	14,258,984
Other countries	**1,858,091**	2,996,355
Total revenue	**90,431,003**	81,107,649

The revenue information above is based on the geographical location of the customers.

(b) Non-current assets

	30 June 2026	31 December 2025
	(Unaudited)	(Audited)
	HK$	*HK$*
Hong Kong	**49,195,415**	51,026,977
Chinese Mainland	**121,854,058**	121,520,475
Other countries	**726,586**	917,000
	171,776,059	173,464,452

The non-current assets information above is based on the geographical location of assets and excludes the financial assets at fair value through profit or loss and deferred tax assets.

3. REVENUE, OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Revenue from contracts with customers within the scope of HKFRS 15:		
Sale of goods	**90,431,003**	81,107,649
Other income and gains:		
Bank interest income calculated using the effective interest method	**350,164**	1,088,994
Tooling charge income	**-**	12,254
Sale of scrap and material	**64,530**	431,398
Sale of sample	**590,356**	352,026
Others	**35,069**	7,579
	1,040,119	1,892,251
Total revenue, other income and gains	**91,471,122**	82,999,900

4. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Interest on bank loans and overdrafts wholly repayable within five years	**170,891**	169,714
Interest on lease liabilities	**16,307**	1,237
	187,198	170,951

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$	*HK$*
Staff cost*	**42,404,414**	37,092,519
Depreciation of property, plant and equipment (excluding right-of-use assets)*	**3,667,314**	3,383,879
Depreciation of right-of-use assets*	**2,159,213**	2,169,541
Loss on disposal of items of property, plant and equipment, net	**511**	14,359
Foreign exchange loss, net	**2,006,895**	3,728,107
Sales commission	**34,449**	702,511

* *The staff cost and depreciation amounting to HK$33,747,945 and HK$3,614,027 (six months ended 30 June 2025: HK$28,030,810 and HK$3,364,406) respectively for the period are included in "Cost of sales" in the condensed consolidated income statement.*

6. INCOME TAX

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Current – Hong Kong		
Charge for the period	**4,894**	-
Current – outside Hong Kong		
Charge for the period	**99,316**	66,498
Deferred taxation		
Origination and reversal of temporary difference	**88,420**	(930,000)
Tax expense/(credit) for the period	**192,630**	(863,502)

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. Taxes on assessable profits outside Hong Kong have been calculated at the tax rates prevailing in the jurisdictions in which the Group operates.

7. DIVIDENDS

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Attributable to the period:		
Interim dividend – Nil (2025: HK2 cents per ordinary share)	-	5,340,096
Attributable to the previous year, approved during the period:		
Final dividend – HK2 cents (2025: HK4 cents) per ordinary share	**5,340,096**	10,680,192

8. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the loss for the period attributable to owners of the Company of HK$2,423,613 (six months ended 30 June 2025: HK$4,981,765) and the weighted average number of 267,004,800 (six months ended 30 June 2025: 267,004,800) ordinary shares in issue during the period.

As there were no dilutive potential ordinary shares, diluted loss per share was the same as basic loss per share for the period ended 30 June 2026 and 2025.

9. FINANCIAL ASSETS/(LIABILITIES) AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026 (Unaudited) ***HK$***	31 December 2025 (Audited) *HK$*
Non-current assets		
Club membership	**680,000**	680,000
Forward currency contracts	**468,683**	**-**
	1,148,683	680,000
Current assets		
Forward currency contracts	**116,321**	**-**
Non-current liabilities		
Forward currency contracts	**(49,126)**	**-**

Club membership

At 30 June 2026 and 31 December 2025, the club membership was issued by a private entity. It is measured at fair value at the end of each reporting period. The fair value of the club membership is determined with reference to the publicly available price information.

Forward currency contracts, at fair values

The Group entered into twenty forward currency contracts at a total of US$26,010,000 for the exchange of United States Dollars ("US$") with Renminbi ("RMB") with the forward rates ranged from RMB6.4350 to RMB6.7283 per US$1. The maturity dates of these forward currency contracts were during the period from 16 November 2026 to 13 June 2028. As at 31 December 2025, the Group did not enter into any forward currency contracts.

The change in the fair value of these currency derivatives amounting to a gain of HK$535,878 (six months ended 30 June 2025: Nil) was recognised in the consolidated income statement for the six months ended 30 June 2026.

10. TRADE RECEIVABLES

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 60 days of issuance, except for certain well-established customers, where the terms are extended from 60 to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are regularly reviewed by senior management. As at 30 June 2026, there is a concentration of credit risk as 18% (at 31 December 2025: 41%) of the balance representing receivables from one customer (at 31 December 2025: two customers), which was derived from sales by the precision parts and components segment. Trade receivables are non-interest-bearing. The carrying amounts of these balances approximate to their fair values.

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

	30 June 2026 (Unaudited) ***HK$***	31 December 2025 (Audited) *HK$*
Within 90 days	**34,711,507**	27,462,790
91 to 180 days	**1,355,212**	1,652,134
	36,066,719	29,114,924

11. 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 (Unaudited) ***HK$***	31 December 2025 (Audited) *HK$*
Within 90 days	**13,001,635**	9,722,970
91 to 180 days	**15,600**	204,329
Over 180 days	**24,504**	14,002
	13,041,739	9,941,301

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

12. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$	*HK$*
Short term employee benefits	**3,958,016**	3,857,763
Contributions to retirement benefit schemes	**9,000**	4,500
Total compensation paid to key management personnel	**3,967,016**	3,862,263

13. APPROVAL OF THE FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved and authorised for issue by the Board of Directors on 28 August 2026.

DIVIDEND

The directors do not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: HK2 cents per ordinary share).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

The Group's turnover for the period ended 30 June 2026 amounted to approximately HK$90.4 million, representing an increase of 11.5%, comparing with the same period last year. Overall gross profit was increased by 7.0% to approximately HK$16.7 million. Loss attributable to owners of the Company was approximately HK$2.4 million (six months ended 30 June 2025: HK$5.0 million).

Basic loss for the period ended 30 June 2026 amounted to HK0.91 cents (six months ended 30 June 2025: HK1.87 cents) per share.

Business Review and Future Plan

As discussed in 2025 annual report, the Group recorded the year-highest order intakes and accelerated new project development activities from customers in the fourth quarter of 2025. This momentum carried into the first quarter of 2026, which led to a 11.5% increase in the Group's revenue for the six months ended 30 June 2026, as compared with the same period of last year. However, the U.S.-Iran conflict began in late February 2026, together with the prolonged Russia-Ukraine war, disrupted the global fuel supplies, elevated the energy costs, and driven up the global inflation. These raised the Group's material costs and weakened the end customer purchasing power. In addition, the Group's manufacturing cost was further compounded by RMB appreciation at the reporting period. Despite this, the Group reduced the net loss for the six months ended 30 June 2026 comparing with same period of last year. Since approximately 90% of the Group's sales were denominated in US$ whereas about 85% of its manufacturing costs were denominated in RMB, this currency gap would decrease the Group's profitability at the period of RMB appreciation. To manage this impact, the Group resumed the use of forward currency contracts since April 2026, and recognised a fair value gain of approximately HK$0.5 million from such contracts for the six months ended 30 June 2026.

For the precision parts and components segment, the turnover increased by 11.5% to approximately HK$90.4 million, while the segment loss narrowed to approximately HK$0.1 million (six months ended 30 June 2025: HK$4.7 million).

The gross profit margin of the Group for the six months ended 30 June 2026 decreased 0.8 percentage points to 18.4% as compared with the same period of 2025, mainly due to the increase in material price and RMB appreciation as discussed above. Due to the restructuring of marketing team, the selling and distribution costs decreased by HK$1.3 million to approximately HK$6.8 million. . The administrative expenses decreased by HK$1.5 million to approximately HK$13.4 million, due to the decrease in exchange loss benefitted from an exchange gain on RMB fixed deposits at RMB appreciation. The finance costs maintained at approximately HK$0.2 million.

Looking ahead, despite the continued global economic growth, at the second half of the year, the Group expects the global market will remain vulnerable and volatile arising from the Middle East tensions and on-going Russia-Ukraine war. The International Monetary Fund warned these conflicts will cause fuel inflation and weaken global economic growth, renewing the risk of stagflation. Despite this, the Group had restructured and expanded the marketing team aiming to exploring new customers. The Group also managed the impact of RMB appreciation to the Group's manufacturing costs through the use of foreign currency contracts, and implemented measures to control the rising material costs, including stronger supplier management and alternative sourcing. Hence, the Group will keep on to improving the profitability. Supported by the stable financial position, the Group is capable to finance any business expansion and daily operation, amid any economic uncertainty in the future.

Liquidity and Financial Resources

The Group generally finances its operations with internally generated cash flow and loan facilities provided by its principal bankers and other financial institution in Hong Kong.

The total borrowings from banks and other financial institution included all term loans, import and export loans, which amounted to approximately HK$7.0 million as at 30 June 2026.

The Group's financial position remains healthy. As at 30 June 2026, the aggregate balance of bank balances and cash of the Group amounted to approximately HK$71.7 million.

The Group's borrowings are on a floating rate basis and are mainly denominated in Hong Kong dollars, which are pegged to US$. These match with the principal currencies of the Group's sales which are in US$.

The gearing ratio on the basis of net debt divided by the total capital plus net debt as at 30 June 2026 and 31 December 2025 were negative. The negative gearing ratio as at 30 June 2026 and 31 December 2025 represents the Group is "net cash" positive (i.e.: had more bank balances and cash than its debt).

Charge on the Group's Assets

As at 30 June 2026 and 31 December 2025, none of the Group's machines and equipment was pledged under lease.

Capital Structure

As at 30 June 2026, the Company had 267,004,800 ordinary shares in issue with total shareholders' equity of the Group amounted to approximately HK$239.2 million.

Fund Raising

Other than obtaining general loan facilities to finance the Group's trading requirements, the Group did not have any fund raising activities during the period ended 30 June 2026.

Employees

As at 30 June 2026, the Group had a total workforce of approximately 689 of which approximately 25 were based in Hong Kong, approximately 4 were based in overseas and approximately 660 were based in Chinese Mainland.

Moreover, under the Mandatory Provident Fund Scheme Ordinance of Hong Kong, the Group has operated a defined contribution Mandatory Provident Fund retirement benefits scheme for all its Hong Kong employees. For overseas and Chinese Mainland employees, the Group is required to contribute a certain percentage of its payroll costs to the central pension scheme operated by the respective local governments.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE CODE

In the opinion of the directors, saved for the deviation discussed below, the Company has complied with all the code provisions of the Corporate Governance Code, as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "HKEX"), throughout the accounting period covered by the interim report, except the following deviation:

Code Provision C.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The roles of the Chairman and the Chief Executive Officer are not separate and are performed by Mr. Lai Pei Wor. Since the Board will meet regularly to consider major matters affecting the operations of the Company, the Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company and believes that this structure will enable the Company to make and implement decisions promptly and efficiently.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of Appendix C3 of the Listing Rules. Based on specific enquiry of the Company's directors, all directors have complied with the required standard set out in the Model Code throughout the period.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee of the Company currently comprises three independent non-executive directors of the Company, namely, Mr. Mak Kwai Wing, Mr. Li Yuen Kwan, Joseph and Ms. Pong Suet Hing. The audit committee of the Company has reviewed the unaudited condensed consolidated financial statements for the six months ended 30 June 2026.

PUBLICATION OF INTERIM REPORT

The Company's interim report containing all the relevant information required by the Listing Rules will be published in due course on the websites of the HKEX (www.hkexnews.hk) and of the Company (www.kpihl.com).

On behalf of the Board
K & P International Holdings Limited
Lai Pei Wor
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises Mr. Lai Pei Wor and Mr. Chan Yau Wah (being executive directors) and Mr. Mak Kwai Wing, Mr. Li Yuen Kwan, Joseph and Ms. Pong Suet Hing (being independent non-executive directors).

** For identification purpose only*