ALLTRONICS HOLDINGS LIMITED

華訊股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 833)

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

The board (the "**Board**") of directors (the "**Directors**") of Alltronics Holdings Limited (the "**Company**") is pleased to present the unaudited interim condensed consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Period**") together with comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		For the six months ended 30 June	
	Notes	**2026**	2025
		(Unaudited)	(Unaudited)
		HK$'000	*HK$'000*
Revenue	*4*	**624,485**	613,594
Cost of sales		**(531,274)**	(491,729)
Gross profit		**93,211**	121,865
Distribution costs		**(9,568)**	(3,845)
Administrative expenses		**(70,860)**	(47,339)
Other operating income, net		**428**	1,650
Operating profit		**13,211**	72,331
Impairment losses on trade receivables, net		**(1,523)**	(37)
Reversal of/(Provision of) impairment losses on other receivables, net		**570**	(12,272)
Finance income		**3,727**	3,303
Finance costs	*5*	**(8,011)**	(6,252)

	Notes	For the six months ended 30 June **2026** **(Unaudited)** ***HK$'000***	2025 (Unaudited) *HK$'000*
Profit before tax	*6*	**7,974**	57,073
Income tax expense	*7*	**(2,127)**	(12,546)
PROFIT FOR THE PERIOD		**5,847**	44,527
Attributable to:			
Owners of the Company		**14,643**	40,982
Non-controlling interests		**(8,796)**	3,545
		5,847	44,527
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*8*	***HK cents***	*HK cents*
Basic and diluted		**3.1**	8.7

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
PROFIT FOR THE PERIOD	**5,847**	44,527
Other comprehensive income		
Other comprehensive income that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**11,451**	8,447
Other comprehensive income for the period, net of tax	**11,451**	8,447
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**17,298**	52,974
Attributable to:		
Owners of the Company	**26,629**	49,519
Non-controlling interests	**(9,331)**	3,455
	17,298	52,974

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	**30 June 2026 (Unaudited)** *HK$'000*	31 December 2025 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**202,998**	191,459
Right-of-use assets		**78,064**	75,661
Investment in associates		**–**	–
Goodwill		**46,459**	46,354
Other intangible assets		**2,429**	2,718
Financial assets at fair value through profit or loss ("**FVTPL**")		**37,514**	36,575
Deferred tax assets		**29,853**	23,191
Total non-current assets		**397,317**	375,958
CURRENT ASSETS			
Inventories		**257,305**	251,083
Trade receivables	*10*	**189,929**	191,005
Prepayments, other receivables and other assets		**100,980**	73,987
Financial assets at FVTPL		**2,316**	1,950
Tax recoverable		**980**	86
Pledged deposits		**7,623**	7,592
Cash and cash equivalents		**410,984**	437,747
Total current assets		**970,117**	963,450

	Notes	**30 June 2026 (Unaudited)** *HK$'000*	31 December 2025 (Audited) *HK$'000*
CURRENT LIABILITIES			
Trade and bills payables	*11*	**189,644**	167,175
Other payables and accruals		**88,288**	104,934
Deferred consideration payable		**885**	885
Interest-bearing bank and other borrowings		**176,496**	166,174
Lease liabilities		**31,788**	35,817
Tax payable		**22,295**	16,779
Total current liabilities		**509,396**	491,764
NET CURRENT ASSETS		**460,721**	471,686
TOTAL ASSETS LESS CURRENT LIABILITIES		**858,038**	847,644
NON-CURRENT LIABILITIES			
Deferred consideration payable		**8,883**	8,883
Lease liabilities		**48,242**	41,207
Long service payment ("**LSP**") obligations		**869**	616
Deferred tax liabilities		**8,186**	8,186
Total non-current liabilities		**66,180**	58,892
NET ASSETS		**791,858**	788,752
EQUITY			
Share capital		**9,461**	9,461
Reserves		**701,542**	689,105
Equity attributable to owners of the Company		**711,003**	698,566
Non-controlling interests		**80,855**	90,186
TOTAL EQUITY		**791,858**	788,752

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE AND GROUP INFORMATION

Alltronics Holdings Limited was incorporated in the Cayman Islands on 24 July 2003 as an exempted company with limited liability under the Companies Law. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 15 July 2005.

The Company is an investment holding company. The principal activities of the Group are the manufacturing and trading of irrigation controller products, thermostats, energy-saving battery products (golf carts and tricycles), plastic moulds and components, and other electronic products. The address of the Company's registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit 408, 4/F, Citicorp Centre, 18 Whitfield Road, Hong Kong.

The Group is controlled by Profit International Holdings Limited (incorporated in the British Virgin Islands), which owns 46.48% of the Company's issued shares as at 30 June 2026 (At 31 December 2025: 46.48%). In the opinion of the Directors, the Company's ultimate holding company is Profit International Holdings Limited and the ultimate controlling party is Mr. Lam Yin Kee.

The interim condensed consolidated financial information for the six months ended 30 June 2026 were approved for issue by the Board on 28 August 2026.

2 BASIS OF PREPARATION

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

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with Hong Kong Financial Reporting Standards as issued by the HKICPA, which collective term includes all applicable individual HKFRS accounting standards, HKAS and Interpretations ("**HKFRS Accounting Standards**").

3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of amended standards effective as of 1 January 2026 noted below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3.1 Amended HKFRS Accounting Standards that are effective for annual period beginning on 1 January 2026

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
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards Volume 11

The adoption of these amended HKFRS Accounting Standards had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

3.2 Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of these interim condensed consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements[1]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures and related amendments[1]
HKFRS 20	Regulatory Assets and Regulatory Liabilities[2]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Laon that Contains a Repayment on Demand Clause[1]

1 Effective for annual periods beginning on or after 1 January 2027
2 Effective for annual periods beginning on or after 1 January 2029
3 Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. The new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's interim condensed consolidated financial statements.

4 OPERATING SEGMENT INFORMATION

For management purposes, the Group only has one reportable segment, which is the electronic products segment. The energy saving business segment and other segment have been combined and disclosed in an "all other segments" category.

Management assesses the performance of the operating segments based on a measure of operating profit/loss (before interest and tax and unallocated operating costs). Other information provided is measured in a manner consistent with that in the interim condensed consolidated financial information.

All sales between segments are eliminated on consolidation. All segment revenue reported is derived from external parties. The revenue from external parties reported to the Directors is measured in a manner consistent with that in the interim condensed consolidated financial information.

Segment assets exclude cash and cash equivalents, prepayments and deposits and financial assets at FVTPL as these assets are managed on a group basis.

Segment liabilities exclude other payables and accruals as these liabilities are managed on a group basis.

Period ended 30 June 2026 (Unaudited)	**Electronic products** *HK$'000*	**All other** *HK$'000*	**Total** *HK$'000*
Segment revenue			
Sales to external customers	**624,485**	**–**	**624,485**
Segment results			
Operating profit/(loss) before interest and tax	**14,672**	**(144)**	**14,528**
Finance costs (other than interests on lease liabilities)	**(6,444)**	**–**	**(6,444)**
Finance income	**3,521**	**–**	**3,521**
Income tax expense	**(2,127)**	**–**	**(2,127)**
	9,622	**(144)**	**9,478**
Unallocated finance income			**206**
Unallocated operating costs			**(3,837)**
Profit for the period			**5,847**
Segment assets	**1,307,938**	**1,812**	**1,309,750**
Unallocated:			
Cash and cash equivalents			**784**
Prepayments, other receivables and other assets			**17,070**
Financial asset at FVTPL			**39,830**
Total assets			**1,367,434**
Segment liabilities	**568,807**	**53**	**568,860**
Unallocated:			
Other payables and accruals			**6,716**
Total liabilities			**575,576**

Period ended 30 June 2025 (Unaudited)	Electronic products *HK$'000*	All other *HK$'000*	Total *HK$'000*
Segment revenue			
Sales to external customers	613,594	–	613,594
Segment results			
Operating profit/(loss) before interest and tax	62,766	(107)	62,659
Finance costs (other than interests on lease liabilities)	(5,620)	–	(5,620)
Finance income	3,303	–	3,303
Income tax expense	(12,546)	–	(12,546)
	47,903	(107)	47,796
Unallocated operating costs			(3,269)
Profit for the period			44,527

At 31 December 2025 (Audited)	Electronic products *HK$'000*	All other *HK$'000*	Total *HK$'000*
Segment assets	1,294,671	1,779	1,296,450
Unallocated:			
Cash and cash equivalents			780
Prepayments, other receivables and other assets			3,653
Financial asset at FVTPL			38,525
Total assets			1,339,408
Segment liabilities	542,544	34	542,578
Unallocated:			
Other payables and accruals			8,078
Total liabilities			550,656

Geographical information

(a) *Revenue from external customers*

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The United States	**425,905**	426,104
Hong Kong	**29,574**	36,731
Europe	**81,775**	68,997
The Peoples' Republic of China (the "**PRC**")	**61,854**	63,504
Other overseas countries	**25,377**	18,258
	624,485	613,594

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

(b) *Non-current assets*

	30 June	31 December
	2026	2025
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Hong Kong	**166,765**	201,351
The PRC	**74,415**	73,514
Vietnam	**38,988**	34,972
Malaysia	**49,354**	5,426
Other overseas countries	**428**	929
	329,950	316,192

The non-current assets information above is based on the locations of the assets and excludes deferred tax assets, other receivables and financial assets at FVTPL.

Information about major customers

For the six months ended 30 June 2026, revenues from customers which individually contributed over 10% of the Group's revenue were as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Customer A	**323,231**	320,753

These revenues were attributable to the electronic products segment.

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2026 (Unaudited)

Segments	**Electronic products**	**All other**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Type of goods or services			
Sale of industrial products	**624,485**	**–**	**624,485**
Timing of revenue recognition			
Goods transferred at a point in time	**624,485**	**–**	**624,485**

For the six months ended 30 June 2025 (Unaudited)

Segments	Electronic products	All other	Total
	HK$'000	*HK$'000*	*HK$'000*
Type of goods or services			
Sale of industrial products	613,594	–	613,594
Timing of revenue recognition			
Goods transferred at a point in time	613,594	–	613,594

5 FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans and bank overdrafts	**6,444**	5,620
Interest on lease liabilities	**1,567**	632
Total finance costs	**8,011**	6,252

6 PROFIT BEFORE TAX

The Group's profit 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 and services provided	**343,299**	354,319
Auditors' remuneration	**1,500**	1,151
Depreciation of property, plant and equipment	**10,695**	6,601
Depreciation of right-of-use assets	**19,669**	13,052
Amortisation of other intangible assets	**289**	77
Fair value (gain)/loss on financial assets at FVTPL, net	**(278)**	1,412
Fair value gain of forward foreign exchange contracts not designated as hedging instruments, net	**(138)**	–
Loss on disposal of forward foreign exchange contracts not designated as hedging instruments, net	**190**	–
(Write-back)/Write-down of inventories to net realisable value	**(2,710)**	6,739
Wages and salaries (including directors' emoluments)	**141,043**	100,969
Foreign exchange differences, net	**7,147**	(1,072)
Loss/(Gain) on disposal of property, plant and equipment	**792**	(242)
Interest income from bank deposits	**(3,259)**	(2,935)
Other interest income	**(468)**	(368)

7 INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period, except for one subsidiary of the Group which is qualifying entity under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of qualifying entity is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong profits tax for this subsidiary was calculated at the same basis in 2025.

Pursuant to the PRC Income Tax Law and the respective regulations, the subsidiaries which operate in the PRC are subject to Corporate Income Tax at a rate of 25% (2025: 25%) on the taxable income.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current – Hong Kong	**3,004**	6,169
Current – PRC and overseas	**5,785**	7,631
Deferred tax	**(6,662)**	(1,254)
Total tax charge for the period	**2,127**	12,546

8 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to owners of the Company of HK$14,643,000 (Six months ended 30 June 2025: HK$40,982,000), and the weighted average number of ordinary shares of 473,058,180 (Six months ended 30 June 2025: 473,058,180) in issue during the six months ended 30 June 2026.

The Group had no potential dilutive ordinary shares in issue for the six months ended 30 June 2026 and 2025 and therefore, diluted earnings per share equals to basic earnings per share.

9 INTERIM DIVIDEND

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interim dividend, proposed, of HK$0.02 (2025: HK$0.03) per ordinary share	**9,461**	14,192

The Board recommends the payment of an interim dividend of HK$0.02 per ordinary share for the six months ended 30 June 2026. The interim condensed consolidated financial information does not reflect the above proposed dividend as dividend payable but account for it as proposed dividend from the reserves. The declaration of the interim dividend for the six months ended 30 June 2026 has been approved by the Board on 28 August 2026.

10 TRADE RECEIVABLES

	30 June	31 December
	2026	2025
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Trade receivables	**225,934**	245,556
Less: ECL allowances	**(36,005)**	(54,551)
	189,929	191,005

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 to 90 days. As at 30 June 2026, the Group's largest customer accounted for approximately 15.0% of total trade receivables (At 31 December 2025: 33.2%). This customer has long term trading relationship with the Group with no defaults in the past and hence the Group does not consider there is any significant credit risk in this regard. The Group's other trade receivables related to a large number of diversified customers. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	HK$'000	*HK$'000*
Within 1 month	**85,277**	91,560
1 to 2 months	**43,816**	39,892
2 to 3 months	**20,739**	29,899
Over 3 months	**40,097**	29,654
Total	**189,929**	191,005

11 TRADE AND BILLS PAYABLES

The aging analysis of trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	HK$'000	*HK$'000*
Within 1 month	**98,098**	87,453
1 to 2 months	**60,996**	55,845
2 to 3 months	**17,688**	14,518
Over 3 months	**12,862**	9,359
Total	**189,644**	167,175

The trade payables are non-interest bearing and are normally settled on terms of 30 to 90 days.

12 CONTINGENT LIABILITIES

Potential litigation related to commission in dispute

In January 2026, Alltronics Tech. Mftg. Limited ("**ATM**", being an indirect wholly-owned subsidiary of the Group) received a letter (the "**Letter**") from Allpower Industry (International) Limited ("**Allpower**") demanding for payment of overdue commission in the sum of HK$21,909,000. Allpower has introduced a customer (the "**Customer**") to ATM and ATM has agreed to pay a commission at an agreed commission rate for each electrostatic disinfectant sprayer sold to the Customer after the relevant invoice has been settled by the Customer. In the Letter, it was alleged (which the Group's management disagrees) that Allpower would be entitled to the commission on those electrostatic disinfectant sprayers which have been returned by the Customer or under warranty claims by the Customer. Management is of the view that ATM and Allpower has mutually agreed that no commission would be payable for those electrostatic disinfectant sprayers and therefore ATM would not have any obligation to pay for the commission so alleged by Allpower.

The Group has engaged a law firm to handle the potential claim and would vigorously defend and contest Allpower's potential claim. The Company believes that the potential claim will not have any material adverse effect on the Group and the business and operations of the Group remain normal. The Company will closely monitor the situation and announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate. As at the date of this announcement, the Group had not received any writ of summons on this matter and no legal proceedings in relation to the potential claim were initiated against ATM.

Save as disclosed above, the Group did not have any other material contingent liabilities as at both 30 June 2026 and 31 December 2025.

INTERIM DIVIDEND

The Board declared an interim dividend of HK2.0 cents per ordinary share for the six months ended 30 June 2026, payable on or about 22 October 2026, to the shareholders whose names appear on the register of members of the Company on 25 September 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 23 September 2026 to 25 September 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on 22 September 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

Revenue

The turnover for the six months ended 30 June 2026 (the "**Period**") had increased by 1.8% to HK$624.5 million, as compared to HK$613.6 million for the same period in 2025. The increase in turnover was mainly due to the revenue contribution from the subsidiaries acquired in 2025.

All the sales revenue of the Period were generated from the electronic products business segment. Sales of electronic products comprise sales of finished electronic products; plastic moulds and components; and other components for electronic products. Total sales revenue rose slightly by HK$10.9 million. The sales revenue from EME Limited and its subsidiaries (the "**EME Group**") acquired in last year has contributed HK$66.0 million to the Group's total sales revenue for the Period. In terms of products, sales revenue of irrigation controller products sold to a customer in the United States increased by HK$2.5 million during the Period; sales revenue of walkie-talkie products decreased by HK$35.3 million; while sales revenue of new energy battery products grew by HK$16.5 million. On the other hand, sales of electronic component products decreased by approximately HK$42.5 million. Sales of plastic and moulds had increased by HK$0.7 million to approximately HK$33.2 million, compared to HK$32.5 million for the same period in 2025.

There was no revenue from the other segment during the Period.

In terms of geographical market, customers in the United States continued to be the major market for the Group's products which accounted for approximately 68.2% of the total revenue for the Period (2025: 69.4%). Management expected that United States will continue to be the dominant market for the Group's products during the second half of the year.

Gross profit

The overall gross profit margin had reduced from 19.9% for the six months period ended 30 June 2025 to 14.9% for the Period. The war in the Middle East has disrupted supplies of raw materials and components for electronic products and has resulted in higher costs for the Group's products. The average profit margin for the products of the EME Group was comparatively lower than those core products of the Group. In addition, the operations of the subsidiaries in Malaysia and Vietnam acquired in last year were still in the integration stage and have not commenced mass production yet. The production overheads of these two subsidiaries have lowered the overall profit margin of the Group.

Expenses and finance costs

Distribution costs had increased by HK$5.7 million which was mainly due to the increase in transportation charges and the distribution costs incurred by the EME Group. Total administrative expenses increased by approximately HK$23.5 million mainly due to the additional administrative expense of approximately HK$20.4 million incurred by the subsidiaries acquired last year.

Finance costs had increased by HK$1.8 million which was mainly due to the inclusion of the finance costs of HK$2.0 million of the EME Group.

Other operating income/expenses

During the Period, there was a net other operating gain of approximately HK$0.4 million which was mainly due to project income, rental income and exchange loss.

Profit attributable to owners of the Company

The profit for the Period attributable to owners of the Company was HK$14.6 million, compared to HK$41.0 million for the same period in 2025. The decrease in net profit was mainly due to the reduction in overall gross profit margin and the losses incurred by the subsidiaries acquired last year.

PRODUCTION FACILITIES

The Group currently has five factories for the production of electronic products, three of them are located in the PRC, one in Penang, Malaysia, and one in Ho Chi Minh City of Vietnam. During the Period, the Group spent approximately HK$19.7 million to acquire property, plant and equipment to enhance its production capacity.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 30 June 2026, the Group's total cash and cash equivalents, net of current bank overdrafts, amounted to HK$418.6 million. The net funds are sufficient to finance the Group's working capital and capital expenditure plans.

At 30 June 2026, total borrowings of the Group amounted to HK$176.5 million, which were all bank loans, of which HK$16.4 million were denominated in United States dollars, HK$148.7 million were denominated in Hong Kong dollars and HK$11.4 million were denominated in Renminbi respectively.

The Group's trade receivable turnover, inventory turnover and trade payable turnover were approximately 55 days, 87 days and 79 days respectively for the Period. These turnover periods are consistent with the respective policies of the Group on credit terms granted to customers and obtained from suppliers.

As at 30 June 2026, the Group's total current assets were HK$970.1 million compared to HK$963.5 million as at 31 December 2025, and the Group's total current liabilities were HK$509.4 million compared to HK$491.8 million as at 31 December 2025. The current ratio (current assets/current liabilities) as at 30 June 2026 was 1.9 times, compared to 2.0 times as at 31 December 2025.

During the Period, the Company had not issued any new shares and had not repurchased any of its own shares on the Stock Exchange.

At 30 June 2026, the Company had in issue a total of 473,058,180 ordinary shares. A share option scheme (the "**2016 Share Option Scheme**") has been adopted by the shareholders of the Company at the annual general meeting of the Company held on 7 June 2016. The 2016 Share Option Scheme has expired on 6 June 2026. There were no share options granted, exercised, lapsed or cancelled since the adoption of the 2016 Share Option Scheme. As at 30 June 2026, the Company did not have any share options outstanding.

CASH FLOWS

The net balance of cash, cash equivalents and bank overdrafts at 30 June 2026 was HK$418.6 million, which had decreased by HK$26.7 million compared to the balance at 31 December 2025.

The net cash generated from operating activities for the Period was HK$13.8 million. The net cash used in investing activities amounted to HK$21.3 million, which was mainly due to HK$19.7 million being paid for the acquisition of property, plant and equipment and HK$1.7 million being paid for the purchase of derivative financial instruments.

On the other hand, there was a net cash outflow of HK$24.4 million from financing activities. During the Period, new borrowings of HK$64.6 million were obtained, and HK$73.2 million was used to repay borrowings and principal repayment of lease liabilities. During the Period, the Company paid a dividend of HK$14.2 million to its shareholders.

CAPITAL EXPENDITURE

During the Period, the Group acquired property, plant and equipment at a total cost of HK$19.7 million, mainly financed by internal resources of the Group.

SIGNIFICANT INVESTMENT AND MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

On 27 January 2026, Winner Sky Technology Malaysia Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a capital injection agreement with Matrix New Energy Techology Sdn. Bhd. ("**Matrix New Energy**", an independent third party of the Company which was incorporated in Malaysia with limited liability) and other independent third parties, in relation to the acquisition of a 20% equity interest in Matrix New Energy at an aggregate consideration of RMB 10,000,000 (equivalent to approximately HK$11,538,000) (the "**Acquisition**").

Matrix New Energy is principally engaged in research and development, and sale of energy storage battery products in Malaysia. As all applicable percentage ratios under Rule 14.07 of the Listing Rules for the Acquisition are less than 5%, the Acquisition does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. As at the date of this announcement, an aggregate amount of RMB7,000,000 (equivalent to approximately HK$8,077,000) has been injected into Matrix New Energy. The remaining RMB3,000,000 will be paid on or before 31 December 2026 if all the conditions precedent are fulfilled.

Save as disclosed above, the group did not have any other significant investment nor any material acquisition or disposal of subsidiaries during the Period.

PLEDGE OF ASSETS

At 30 June 2026, the Group had total bank borrowings of HK$176.5 million, out of which HK$39.6 million were secured by the land and buildings and right-of-use assets of HK$132.1 million in aggregate, HK$2.5 million were secured by short-term bank deposits of HK$2.5 million and HK$1.3 million were secured by trade receivables of HK$12.8 million.

DEBT POSITION AND GEARING

As at 30 June 2026 and 31 December 2025, the Group was not in a net debt (being total bank loans and other borrowings and lease liabilities excluding trade debts and net of cash and cash equivalents) position. At 30 June 2026, the total equity was approximately HK$791.9 million (At 31 December 2025: HK$788.8 million). There was no gearing percentage as at 30 June 2026 and 31 December 2025.

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the maintaining appropriate debt and equity balance. The directors of the Company review the capital structure of the Group on a regular basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through various alternatives including the payment of dividends, new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debts.

CONTINGENT LIABILITIES

Potential litigation related to commission in dispute

In January 2026, Alltronics Tech. Mftg. Limited ("**ATM**", being an indirect wholly-owned subsidiary of the Group) received a letter (the "**Letter**") from Allpower Industry (International) Limited ("**Allpower**") demanding for payment of overdue commission in the sum of HK$21,909,000. Allpower has introduced a customer (the "**Customer**") to ATM and ATM has agreed to pay a commission at an agreed commission rate for each electrostatic disinfectant sprayer sold to the Customer after the relevant invoice has been settled by the Customer. In the Letter, it was alleged (which the Group's management disagrees) that Allpower would be entitled to the commission on those electrostatic disinfectant sprayers which have been returned by the Customer or under warranty claims by the Customer. Management is of the view that ATM and Allpower has mutually agreed that no commission would be payable for those electrostatic disinfectant sprayers and therefore ATM would not have any obligation to pay for the commission so alleged by Allpower.

The Group has engaged a law firm to handle the potential claim and would vigorously defend and contest Allpower's potential claim. The Company believes that the potential claim will not have any material adverse effect on the Group and the business and operations of the Group remain normal. The Company will closely monitor the situation and announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate. As at the date of this announcement, the Group had not received any writ of summons on this matter and no legal proceedings in relation to the potential claim were initiated against ATM.

Save as disclosed above, the Group did not have any other material contingent liabilities as at both 30 June 2026 and 31 December 2025.

UPDATE ON SETTLEMENT OF OVERDUE CONSIDERATION AND DEBT

On 15 April 2019, the Group has completed a very substantial disposal transaction (the "**VSD Transaction**") in relation to the disposal of the Group's investment properties business segment. On 15 July 2020, the Group has engaged a solicitor firm at Beijing to commence arbitration proceedings against the purchaser (the "**Purchaser**") and the guarantor (the "**Guarantor**") for collection of the overdue consideration of RMB100 million (the "**Consideration**") and accrued interests in relation to the VSD Transaction. On 12 March 2021, the arbitration hearing was conducted at the Beijing Arbitration Commission (the "**BAC**") and the arbitral award has been issued by the BAC on 5 August 2021. Under the arbitral award, it was decided by the BAC that, amongst other things, (i) the Purchaser and the Guarantor pay the overdue Consideration and accrued interests thereon to the Group, (ii) the Purchaser and the Guarantor bear the arbitration fees and the legal and other costs related to the arbitration, and (iii) the Purchaser and the Guarantor should settle all the amounts due to the Group within fifteen days from the date the arbitral award is delivered to the Purchaser and the Guarantor.

Alltronics Energy Saving (Shenzhen) Limited ("**Alltronics Energy Saving**", being an indirect wholly-owned subsidiary of the Group) has filed an official civil complaint# (民事起訴狀) (the "**Complaint**") at the Shenzhen Intermediate People's Court# (深圳市中級人民法院) (the "**Shenzhen court**") on 2 January 2020. Under the Complaint, Alltronics Energy Saving requested for immediate settlement of the debt of approximately RMB212 million (the "**Debt**") and accrued interests thereon from the borrower (the "**Borrower**") and the Guarantor in relation to the VSD Transaction.

On 28 April 2021, Alltronics Energy Saving has entered into a settlement agreement (the "**Settlement Agreement**") with the Borrower and the Guarantor. Pursuant to the Settlement Agreement, the Borrower and the Guarantor have agreed to settle the Debt in accordance with the following schedule:

(a) RMB20,000,000 on or before 31 May 2021;

(b) RMB80,000,000 on or before 30 June 2021; and

(c) the remaining balance on or before 31 December 2021.

Alltronics Energy Saving has submitted the Settlement Agreement to the Shenzhen Court for judicial recognition and confirmation. On 28 May 2021, the Shenzhen Court has delivered its judgement on the Settlement Agreement and it has become effective and legally binding on all parties. The Borrower and the Guarantor have not settled the Debt in accordance with the repayment terms in the Settlement Agreement. On 15 July 2021, Alltronics Energy Saving has applied to the Shenzhen Court for execution of the Settlement Agreement and the Shenzhen Court has accepted the application for execution of the Settlement Agreement.

In August 2021, the Group's legal advisers in Beijing and Shenzhen advised that Henan Luohe Intermediate People's Court# (河南省漯河市中級人民法院) (the "**Henan Court**") has accepted an application for bankruptcy liquidation against the Guarantor and a bankruptcy administrator of the Guarantor has been appointed by the Henan Court on 5 July 2021. The Group's legal advisers in Beijing and Shenzhen have already filed the relevant documents for the declaration of creditor's right to the bankruptcy administrator of the Guarantor to declare and to register all the amounts due from the Guarantor to the Group so as to protect the interests of the Group.

On 16 June 2026, the bankruptcy administrator of the Guarantor has published an announcement (the "**Distribution Announcement**") in relation to the first distribution of the bankruptcy assets of the Guarantor. Pursuant to the distribution table attached to the Distribution Announcement, the Group will receive an amount of RMB156,946 as payment for the overdue Consideration and an amount of RMB304,706 as payment for the overdue Debt. These amounts have been recognised as reversal of impairment losses on other receivables during the Period and have been received by the Group on 21 August 2026. It is not certain whether there will be any further distribution from the bankruptcy assets of the Guarantor.

Full impairment losses on the Consideration and the Debt have been made in the Group's audited consolidated financial statements for the year ended 31 December 2019. The Company will closely monitor the situation and further announcement(s) will be made by the Company to keep its shareholders and potential investors informed of any material development as and when appropriate.

EMPLOYEES

At 30 June 2026, the Group had 2,778 employees, of which 102 were employed in Hong Kong, 2,434 were employed in the PRC, and 242 were employed overseas. Salaries of employees are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund retirement benefits scheme for all its employees in Hong Kong, and provides its PRC and overseas employees with welfare schemes as required by the applicable laws and regulations in the respective countries. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group.

No share options had been granted, exercised, lapsed or cancelled since the adoption of the 2016 Share Option Scheme. As at 30 June 2026, there were no share options remained outstanding.

The Group did not experience any significant labour disputes or substantial changes in the number of its employees that led to any disruption of its normal business operations. The Board believes that the Group's management and employees are the most valuable asset of the Group and they have contributed to the success of the Group.

FOREIGN EXCHANGE EXPOSURE

Most of the Group's sales are denominated in United States dollars and Renminbi, and most of the purchases of raw materials are denominated in Renminbi and Hong Kong dollars. Furthermore, most of the Group's monetary assets are denominated in Hong Kong dollars, United States dollars and Renminbi.

The Group's principal production facilities are located in the PRC whilst its sales proceeds are primarily settled in United States dollars, Hong Kong dollars or Renminbi. As such, management is aware of the potential foreign currency risk that may arise from the fluctuation of exchange rates between United States dollars, Hong Kong dollars and Renminbi. Management will consider various actions to minimise the risk, including the entering into forward foreign exchange contracts with major and reputable financial institutions to hedge its foreign exchange risk exposure. These were for hedging against foreign exchange risk exposure relating to the production costs and certain outstanding payables denominated in Renminbi. As at 30 June 2026, the Group have outstanding forward foreign exchange contracts with an aggregate amount of US$3,000,000 for the conversion of US$ to RMB at agreed exchange rates. Management will continue to evaluate the Group's foreign currency exposure and take further actions as appropriate to minimise the Group's exposure whenever necessary.

OUTLOOK

Electronic products segment

The Group's overall performance remained steady in the first half of 2026. Management expects the performance to grow steadily in the second half of the year. However, the economic environment will continue to be challenging, and management will keep alert and remain cautious.

The escalating Middle East conflict is creating compound risks for global electronics manufacturing. Furthermore, factors including the ongoing trade disputes between the United States and the PRC may further escalate geopolitical tensions and have a negative impact on the global economy. The tariffs imposed by the Unites States may further reduce the demand for the Group's electronic products manufactured at its factories located in the PRC. The various sanctions imposed or to be imposed on Hong Kong by the United States and other countries will continue to pose challenges to the Group's business. On the other hand, the risk of fluctuation in the exchange rate of Renminbi against United States dollars and Hong Kong dollars and the risk of high inflation and fluctuation in the interest rate will continue affect the performance of the Group's electronic products segment. The Group will pay close attention to these factors and will continue to tighten controls over production costs and overheads and improve production efficiency to maximise the gross profit margin.

The subsidiaries in Malaysia and Vietnam acquired in last year are still in the integration phase and have not made much contributions to the Group's business or sales yet. It is expected that their operations will gradually pick up in the second half of the year and will start contributing to the Group's business growth next year. The opening of the new factory at Penang, Malaysia, in June will provide a stronger base for the Group to expand its business in the South-east Asia region and to better serve its international customers. Management is confident that these increased production capacities will eventually result in increased turnover for the Group.

In terms of geographical market, the Group foresees that the United States will continue to be the major market for its products in the year ahead. The Group will continue to explore opportunities for new electronic products with other potential customers so as to broaden its revenue base and to maintain its growth momentum.

Going forward, we see both challenges and opportunities. The Group will focus on its core electronic products segment and will continue to explore opportunities for new products and projects with existing and potential customers in Hong Kong, in the PRC and overseas to provide a better return to all shareholders.

CORPORATE GOVERNANCE

The Board believes that corporate governance is essential to the success of the Group. The Group keeps abreast of the best practices in the corporate governance areas and strives to implement such practices as appropriate. None of the Directors is aware of any information that would reasonably indicate that the Company or any of its Director is not or was not at any time during the year and up to the date of this announcement, in compliance with the Corporate Governance Code as set out in Appendix C1 of the Listing Rules. The Board will review and update the current practices regularly to ensure compliance with the latest practices in corporate governance to protect and maximize the interests of shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as its code for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, the Company confirms that all Directors have complied with the required standard set out in the Model Code during the Period.

CHANGES IN INFORMATION OF DIRECTORS

There were no changes in directors' information since publication of the 2025 annual report of the Company and there is no other information required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established with written terms of reference in compliance with the Listing Rules. The Audit Committee shall meet at least twice every year and currently comprises three members being the independent non-executive Directors of the Company, namely Mr. Pang Kwong Wah (Chairman), Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui.

The interim condensed consolidated financial statements have been reviewed by the Audit Committee at a meeting held on 28 August 2026, which is of the opinion that the interim condensed consolidated financial statements complied with applicable accounting standards and legal requirements, and that adequate disclosures have been made.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "**Remuneration Committee**") was established with written terms of reference in compliance with the Listing Rules. The Remuneration Committee shall meet at least once every year and shall have a minimum of five members, comprising a majority of independent non-executive directors. The Chairman of the Remuneration Committee is Mr. Pang Kwong Wah and other current members include Mr. Lam Yin Kee, Ms. Yeung Po Wah, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui.

NOMINATION COMMITTEE

The nomination committee of the Company (the "**Nomination Committee**") was established with written terms of reference in compliance with the Listing Rules. The Nomination Committee shall meet at least once every year and shall have a minimum of five members, comprising a majority of independent non-executive directors. The Chairman of the Nomination Committee is Mr. Lam Yin Kee and other current members include Ms. Yeung Po Wah, Mr. Pang Kwong Wah, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company has not redeemed any of its shares during the Period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the Period.

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

This announcement is published on the website of the Stock Exchange (http://www.hkexnews.hk) and our Company's website (http://www.irasia.com/listco/hk/alltronics/index.htm). The interim report of the Company for the six months ended 30 June 2026 containing the information required by the Listing Rules will be dispatched to shareholders and published on the websites of the Company and the Stock Exchange in due course.

By order of the Board
Alltronics Holdings Limited
Lam Yin Kee
Chairman

Hong Kong, 28 August 2026

For identification purpose only.

As at the date of this announcement, the Board of the Company comprises:

Executive Directors
Mr. Lam Yin Kee, Mr. Lam Chee Tai, Eric, Ms. Yeung Po Wah, Mr. So Kin Hung and Ms. Lam Oi Yan, Ivy

Independent Non-executive Directors
Mr. Pang Kwong Wah, Mr. Yen Yuen Ho, Tony and Mr. Lin Kam Sui