通 達 宏 泰
TONGDA HONG TAI

TONGDA HONG TAI HOLDINGS LIMITED
通達宏泰控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2363)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

HIGHLIGHTS

- Revenue of the Group decreased by approximately 39.2% to approximately HK$30.5 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK$50.2 million).

- The Group recorded a net loss for the six months ended 30 June 2026 of approximately HK$9.7 million (six months ended 30 June 2025: net profit of approximately HK$5.2 million).

- Basic and diluted loss per share for the six months ended 30 June 2026 was approximately HK4.77 cents (six months ended 30 June 2025: basic and diluted profit per share of approximately HK2.55 cents).

The board (the "Board") of directors (the "Directors") of Tongda Hong Tai Holdings Limited (the "Company") hereby announces the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively, the "Group" or "We") for the six months ended 30 June 2026 (the "Period") together with comparative figures for the corresponding period as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Unaudited Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
REVENUE	*5*	**30,507**	50,206
Cost of sales		**(26,185)**	(47,952)
Gross profit		**4,322**	2,254
Other income		**1,149**	796
Selling and distribution expenses		**(42)**	(137)
General and administrative expenses		**(1,974)**	(3,025)
Other operating expense/income, net		**(8,859)**	11,268
Finance costs		**(4,336)**	(5,952)
(LOSS)/PROFIT BEFORE TAX	*6*	**(9,740)**	5,204
Income tax	*7*	**–**	–
(LOSS)/PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		**(9,740)**	5,204
(LOSS)/PROFIT PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	*9*	**HK(4.77) cents**	HK2.55 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
(LOSS)/PROFIT FOR THE PERIOD	**(9,740)**	5,204
OTHER COMPREHENSIVE EXPENSE		
Other comprehensive expense that may be reclassified to the income statement in subsequent periods:		
Exchange differences on translation of a foreign operation	**(2,580)**	(9,812)
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	**(12,320)**	(4,608)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**Unaudited 30 June 2026** ***HK$'000***	Audited 31 December 2025 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**–**	–
Right-of-use assets		**–**	–
Lease receivables		**294**	561
Total non-current assets		**294**	561
CURRENT ASSETS			
Inventories	*11*	**–**	15,459
Trade and bills receivables	*12*	**29,702**	18,336
Lease receivables		**540**	3,817
Prepayments, deposits and other receivables		**942**	1,326
Tax recoverable		**32**	542
Cash and bank balances		**90,447**	84,896
Total current assets		**121,663**	124,376
CURRENT LIABILITIES			
Trade payables	*13*	**17,798**	9,405
Other payables and accruals	*14*	**25,146**	22,088
Loans from and amounts due to related parties	*15*	**2,889**	2,889
Lease liabilities		**527**	6,686
Total current liabilities		**46,360**	41,068

	Unaudited	Audited
	30 June	31 December
	2026	2025
	HK$'000	*HK$'000*
NET CURRENT ASSETS	**75,303**	83,308
TOTAL ASSETS LESS CURRENT LIABILITIES	**75,597**	83,869
NON-CURRENT LIABILITIES		
Lease liabilities	**287**	547
Other payable	**283,722**	279,414
Total non-current liabilities	**284,009**	279,961
Net liabilities	**(208,412)**	(196,092)
DEFICIENCY		
Equity attributable to equity holders of the Company		
Issued capital	**20,422**	20,422
Deficit	**(228,834)**	(216,514)
Total deficit	**(208,412)**	(196,092)

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Tongda Hong Tai Holdings Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally involved in the manufacture and sale of components, casings and related products for electronic and consumer applications in the Chinese Mainland.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and with Hong Kong Accounting Standards (the "HKASs") No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025.

Going concern assumptions

The Group incurred net loss of approximately HK$9,740,000 for the Period, and as of that date, the Group had net current assets of approximately HK$75,303,000 (For the year ended 31 December 2025: the net current assets was approximately HK$83,308,000) and net liabilities of approximately HK$208,412,000 (For the year ended 31 December 2025: the net liabilities was approximately HK$196,092,000).

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The Interim Financial Statements have been prepared on the assumptions that the Group will continue to operate as a going concern notwithstanding the conditions prevailing as at 30 June 2026 and subsequently thereto up to the date when the Interim Financial Statements are authorised for issue. In order to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the directors of the Company have adopted several measures together with other measures in progress at the date when the Interim Financial Statements are authorised for issue, including but not limited to, the followings:

(a) Implementing comprehensive policies to monitor cash flows through cutting costs and capital expenditure; and

(b) The management is in process to develop a plan to restructure the Group's business, improve operational efficiency, and explore new opportunities.

The directors of the Company have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from the date of report. They are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from the date of report. Accordingly, the directors are satisfied that it is appropriate to prepare the Interim Financial Statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in these Interim Financial Statements.

3. ACCOUNTING POLICIES

The accounting policies and basis of preparation adopted are consistent with those adopted in the Group's financial statements for the year ended 31 December 2025, except for the adoption of the following revised 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[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity[1]
Annual Improvements to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[1]

[1] Effective for annual periods beginning on or after 1 January 2026

The application of the amendment to HKFRS Accounting Standards in the current interim period has had no material impact on the Group financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of components, casings and related products for electronic and consumer applications, as well as the trading of related materials. The Group's products are generally similar in nature and are subject to similar risks and returns.

Geographical information

During the Period, the Group operates within two geographical locations, Hong Kong and the Chinese Mainland. Further details of the geographical information in respect of revenue from external customers are set out in note 5 to the consolidated financial statements.

Non-current assets

	Unaudited 30 June 2026	Audited 31 December 2025
	HK$'000	*HK$'000*
Hong Kong	**–**	–
Chinese Mainland	**294**	561
TOTAL	**294**	561

The non-current asset information above is based on the locations of the assets.

5. REVENUE

An analysis of the Group's revenue is as follows:

	Unaudited 30 June 2026	Unaudited 30 June 2025
	HK$'000	*HK$'000*
Manufacture and sale of products		
in Hong Kong	**22,219**	–
in Chinese Mainland	**8,288**	50,206
TOTAL	**30,507**	50,206
Timing of revenue recognition:		
At a point in time	**30,507**	50,206

6. (LOSS)/PROFIT BEFORE TAX

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

	Unaudited	
	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Cost of inventories sold	**26,185**	47,952
Employee benefit expense (excluding directors' remuneration):		
Salaries and wages	**647**	1,052
Pension scheme contributions	**159**	706
Foreign exchange differences, net	**(3,155)**	(11,144)

7. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the Period (for the six months ended 30 June 2025: Nil). No provision for corporate income tax in the Chinese Mainland has been made as the Group did not generate any assessable profits in the Chinese Mainland during the Period.

Pursuant to the Corporate Income Tax Law of the PRC being effective on 1 January 2008, the income tax unified at 25% for all enterprises in the Chinese Mainland.

通達宏泰科技(蘇州)有限公司(Tongda HT Technology (Suzhou) Company Limited), as a High New Technology Enterprise, was subject to a preferential tax rate of 15% starting from the year ended 31 December 2022 for three years.

	Unaudited	
	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Total current tax charge for the Period from the Chinese Mainland	**–**	–

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

The Group has estimated tax losses arising in the Chinese Mainland of HK$223,208,000 (For the year ended 31 December 2025: HK$223,208,000) that will expire in five years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of these losses as directors consider that it is uncertain whether sufficient taxable profits will be available against which the tax losses can be utilised in the foreseeable future.

8. DIVIDENDS

The Directors do not recommend the payment of any interim dividend for the Period (for the six months ended 30 June 2025: Nil).

9. (LOSS)/PROFIT PER SHARE

The calculations of basic and diluted (loss)/profit per share are based on:

	Unaudited	
	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/profit:		
(Loss)/profit for the period attributable to owners of the Company used in the basic and diluted (loss)/profit per share calculation	**(9,740)**	5,204
Weighted average number of shares:		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/profit per share	**204,224,073**	204,224,073

The Group had no potentially dilutive ordinary shares in issue during the Period and for the six months ended 30 June 2025.

10. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group acquired property, plant and equipment of approximately HK$nil (for the six months ended 30 June 2025: HK$nil).

11. INVENTORIES

	Unaudited 30 June 2026 *HK$'000*	Audited 31 December 2025 *HK$'000*
Raw materials	–	502
Work in progress	–	7,909
Finished goods	–	7,048
	–	15,459

12. TRADE AND BILLS RECEIVABLES

	Unaudited 30 June 2026 *HK$'000*	Audited 31 December 2025 *HK$'000*
Trade receivables	**30,254**	18,982
Impairment	**(748)**	(722)
	29,506	18,260
Bills receivables	**196**	76
	29,702	18,336

As at 30 June 2026, the Group has bills receivable of approximately HK$196,000 (For the year ended 31 December 2025: approximately HK$76,000) and they were measured at fair value through other comprehensive income as these trade and bills receivables are managed within a business model with the objective of both holding to collect contractual cash flows and selling for working capital management and the contractual terms of these receivables give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to four months. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing. As at 30 June 2026, approximately 53.1% (For the year ended 31 December 2025: approximately 68.5%) of the total trade and bills receivables, and approximately 93.9% (For the year ended 31 December 2025: approximately 83.1%) of the total trade and bills receivables, were due from the Group's largest customer and the five largest customers, respectively.

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

	Unaudited 30 June 2026	Audited 31 December 2025
	HK$'000	*HK$'000*
Within 3 months	**18,621**	6,082
4 to 6 months, inclusive	**3,943**	7,888
7 to 9 months, inclusive	**4,004**	3,115
10 to 12 months, inclusive	**2,666**	1,251
Over 1 year	**468**	–
	29,702	18,336

The impairment of trade receivables included the amount of a specific trade receivable which is considered in default due to indicators which showed that the Group was unlikely to receive the outstanding contractual amount in full.

No loss allowance was provided for bills receivable because management considers that there were minimal expected credit losses associated with the bills receivable in view of the fact that majority of these bills receivable were issued by creditworthy banks and the balances are not yet past due.

13. TRADE PAYABLES

The trade payables are non-interest bearing and are normally settled on terms of one to four months. An ageing analysis of the Group's trade payables as at the end of the Period, based on the invoice date, is as follows:

	Unaudited 30 June 2026	Audited 31 December 2025
	HK$'000	*HK$'000*
Within 3 months	**17,798**	4,574
4 to 6 months, inclusive	–	542
7 to 9 months, inclusive	–	1,447
10 to 12 months, inclusive	–	493
Over 1 year	–	2,349
	17,798	9,405

14. OTHER PAYABLES AND ACCRUALS

	Notes	Unaudited 30 June 2026 *HK$'000*	Audited 31 December 2025 *HK$'000*
Other payables	*(a)*	**305,772**	298,800
Accruals		**1,586**	1,187
Receipt in advance	*(b)*	**1,510**	1,515
		308,868	301,502
Less: Non-current portion for other payable	*(a)*	**(283,722)**	(279,414)
Current portion		**25,146**	22,088

Notes:

(a) One of the other payables recognised in non-current portion (For the year ended 31 December 2025: current portion) of HK$181,055,000 (For the year ended 31 December 2025: HK$181,055,000) is unsecured, bear interest ranges from 3.6% to 4.75% (For the year ended 31 December 2025: 3.6% to 4.75%) per annum and repayable after one year (For the year ended 31 December 2025: repayable within one year). The corresponding accrued interest of HK$30,455,000 (For the year ended 31 December 2025: HK$27,197,000) is repayable after one year (For the year ended 31 December 2025: repayable within one year).

Another payable recognised in non-current portion (For the year ended 31 December 2025: non-current portion) of HK$60,000,000 (For the year ended 31 December 2025: HK$60,000,000) is unsecured, bear interest at 3.50% (For the year ended 31 December 2025: 3.5% to 7.00%) per annum and repayable after one year (For the year ended 31 December 2025: repayable after one year). The corresponding accrued interest of HK$12,212,000 (For the year ended 31 December 2025: HK$11,162,000) is repayable after one year (For the year ended 31 December 2025: repayable after one year).

(b) As at 30 June 2026, the Group held receipt in advance approximately HK$1,510,000 (For the year ended 31 December 2025: HK$1,515,000). This amount primarily relates to an overpayment from customers for goods. As there is no contract with the customers that defines specific performance obligations related to the overpayment, the receipt in advance do not constitute a contract liability.

(c) The remaining other payables recognised in current portion are unsecured, non-interest-bearing and repayable on demand.

(d) During the Period, the management has revisited the other payables balance and noted that certain suppliers are in an insolvency position. Accordingly, the Group has written-off the other payables of HK$nil (For the year ended 31 December 2025: HK$60,000).

15. LOANS FROM AND AMOUNTS DUE TO RELATED PARTIES

	Notes	**Unaudited 30 June 2026** *HK$'000*	Audited 31 December 2025 *HK$'000*
Loan from Mr. Wang Ya Nan	*(a)*	**2,400**	2,400
Amount due to Tongda Group International Limited	*(a), (b)*	**336**	336
Amount due to Tong Da General Holdings (HK) Limited	*(a), (b)*	**153**	153
		2,889	2,889

Notes:

(a) The balance of loan from Mr. Wang Ya Nan of HK$2,400,000 is unsecured, bearing interest at 2% per annum and is repayable on demand. The remaining balances of amounts due to related parties are unsecured, non-interest bearing and repayable on demand.

(b) Tongda Group International Limited and Tong Da General Holdings (HK) Limited are related companies controlled by Mr. Wang Ya Nan.

CAUTIONARY STATEMENT REGARDING FORWARD– LOOKING STATEMENTS

This announcement contains certain forward-looking statements with respect to the financial conditions, results of operations and the business of Tongda Hong Tai Holdings Limited (the "Company", and together with its subsidiaries the "Group" or "We"). These forward-looking statements represent the Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Certain statements, that include wordings like "potential", "estimated", "expects", "anticipates", "objective", "intends", "plans", "believes", "estimates", and similar expressions or variations on such expressions may be considered "forward-looking statements".

Forward-looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ in some instances materially, from those anticipated or implied in any forward-looking statement. Forward-looking statements pertain only at the date they are made, and it should not be assumed that they have been reviewed or updated in the light of new information or future events. Trends and factors that are expected to affect the Group's results of operations are described in the section headed "Management Discussion and Analysis" below.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is a "one-stop" manufacturing solutions provider in the manufacture and sale of components, casings and related products for electronic and consumer applications, as well as the trading of related materials.

During the Period, the Group's revenue decreased by approximately 39.2%, from approximately HK$50.2 million for the same period last year to approximately HK$30.5 million during the Period. The decrease was primarily attributable to continued weakness in the notebook and tablet computer markets, which faced headwinds from volatile global trade policies and a persistent memory chip shortage that constrained product availability and dampened sales during the Period.

During the Period, the Group's gross profit margin has increased and was mainly attributable to actively optimized its business strategies and controlled costs by optimizing its existing resources. The Group had also carried on with its reassessment of its projects to adjust product portfolio and market strategy which resulted in improving profit margin.

BUSINESS PROSPECTS

The business outlook for the remainder of the year remains challenging. Against a backdrop of deteriorating macroeconomic conditions, an intensifying global memory chip shortage, softening consumer spending, ongoing geopolitical tensions and intense industry competition, the Group nonetheless delivered a resilient performance during the Period and will continue to navigate these headwinds with a disciplined and adaptive approach.

The Group has continued to diversify beyond its core notebook and tablet casing business into other consumer electronics and household items, thereby reducing its dependence on the cyclicality of any single end-market. The Group remains committed to continuously reviewing its operations with a view to enhancing its overall competitiveness.

Mindful of intense market competition, the management will continue to identify and capture new business opportunities, including in the trading of materials and in research and development relating to AI technology. The management will also continue to closely monitor the developments in the supply chain, pricing and market demand, and will adjust the Group's plans as appropriate to safeguard profitability.

FINANCIAL REVIEW

The Group's total revenue decreased by approximately 39.2%, from approximately HK$50.2 million for the same period last year to approximately HK$30.5 million during the Period. The decrease was primarily reflecting lower sales volume following the strong contribution by the launch of new business in casings of robot vacuum which resulted in more sales order received for the same period last year.

During the Period, the Group recorded a gross profit of approximately HK$4.3 million, as compared to a gross profit of approximately HK$2.3 million for the same period last year, reflecting improved gross margin management despite the decrease in Group's total revenue.

The Group's selling and distribution expenses decreased from approximately HK$0.1 million for the same period last year to approximately HK$0.042 million during the Period, which was in line with the decrease in Group's total revenue.

The Group's general and administrative expenses decreased by approximately 33.3%, from approximately HK$3.0 million for the same period last year to approximately HK$2.0 million during the Period. The decrease was due to the decrease in salary expenses as well as legal and professional fee.

The Group's finance costs decreased from approximately HK$6.0 million for the same period last year to approximately HK$4.3 million for the Period. The decrease in finance costs was primarily due to the reduction in interest-bearing liabilities following the restructuring of certain payables.

The Group's other income, increased from approximately HK$0.8 million for the same period last year to approximately HK$1.1 million for the Period, which was due to the increase in the sales of scrap materials and bank interest income offset by the reduction in the rental income during the Period.

The Group's other operating expense/income, net, changed from approximately HK$11.3 million in income for the same period last year to approximately HK$8.9 million in expense during the Period, which was due to increase in impairment of inventory and decrease in exchange gain due to appreciation of Renminbi for the Period.

As a result of the foregoing, the Group's loss for the Period attributable to equity holders of the Company amounted to approximately HK$9.7 million, as compared to a profit approximately HK$5.2 million for the same period last year. Basic and diluted loss per share attributable to equity holders of the Company was approximately HK4.77 cents for the Period as compared to a basic and diluted profit per share approximately HK2.55 cents for the same period last year.

The Group's inventory turnover days decreased from approximately 59.0 days for the year ended 31 December 2025 to approximately 53.9 days for the Period. The Group will keep on tighter controls over raw materials and finished goods which are important to ensure efficient working capital cycle and supported the Group's goal of enhancing operating cash flow.

The Group's trade and bills receivables turnover days increased from approximately 84.3 days for the year ended 31 December 2025 to approximately 143.7 days for the Period. The increase reflects the challenging macroeconomic conditions during the Period. The Group needs to continually closely monitor the customer credit profiles and maintained prudent credit risk management to safeguard cash flow stability. The Group has to strengthen the credit control measures and take more proactive collection efforts for the remainder of the current year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the Period, the Group financed its capital expenditure and working capital requirements mainly through other payables, loans from and amounts due to related parties, the proceeds received from the Listing in March 2018 and the proceeds received from the Rights Issue in May 2024.

As at 30 June 2026, we had interest-bearing other payables of approximately HK$283.7 million (For the year ended 31 December 2025: approximately HK$279.4 million), loans from and amounts due to related companies of approximately HK$2.9 million (For the year ended 31 December 2025: approximately HK$2.9 million). Their range of interest rates was 3.5% to 4.75% (For the year ended 31 December 2025: 2.00% to 7.0%) per annum.

As at 30 June 2026, the Group's cash and cash equivalents were mainly held in USD, RMB and HK$, and the cash and cash equivalents of approximately HK$90.4 million (For the year ended 31 December 2025: approximately HK$84.9 million). The Group currently does not use any financial instruments for hedging purposes.

As at 30 June 2026, the Group had restricted bank balances of approximately HK$nil million (For the year ended 31 December 2025: approximately HK$nil million).

As at 30 June 2026, the Group had interest-bearing loans from independent third parties of approximately HK$283.7 million (For the year ended 31 December 2025: approximately HK$279.4 million).

As at 30 June 2026, the Group had interest bearing loans from a related party (who is also one of the former controlling shareholders) of approximately HK$2.4 million (For the year ended 31 December 2025: approximately HK$2.4 million).

Average trade and bills receivable turnover days as at 30 June 2026 was approximately 143.7 days (For the year ended 31 December 2025: approximately 84.3 days).

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to four months. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

Average inventory turnover days as at 30 June 2026 was approximately 53.9 days (For the year ended 31 December 2025: approximately 59.0 days). Overall, the current ratio of the Group as at 30 June 2026 was approximately 2.62 (For the year ended 31 December 2025: approximately 3.03).

As at 30 June 2026, the Group's gearing ratio was approximately 94% (For the year ended 31 December 2025: 101%). Gearing ratio is calculated based on total borrowings (i.e. certain interest-bearing other payables classified as current and non-current portion and loans from and amounts due to related parties) less total cash and bank balances (including restricted bank balances) divided by total equity attributable to equity holders of the Company as at year-end date and expressed as a percentage.

The Group's operations were mainly financed by internal resources including but not limited to existing cash and cash equivalents, cash flow from its operating activities, the net proceeds generated from the Listing and Rights Issue, other payables and from and amounts due to related parties. The Board believes that the Group's liquidity needs will be satisfied.

CAPITAL STRUCTURE

The Company was successfully listed on the Main Board of the Stock Exchange on 16 March 2018.

On 12 January 2024, the Board of the Company proposed to implement the shares consolidation, pursuant to which every ten issued and unissued existing shares of par value HK$0.01 each consolidated into one consolidated share of par value HK$0.1 each (the "Shares Consolidation"). The Shares Consolidation was completed and effective on 19 March 2024. Immediately following the Shares Consolidation having become effective, the authorised share capital of the Company was increased from HK$10,000,000 divided into 1,000,000,000 existing shares to HK$60,000,000 divided into 600,000,000 consolidated shares by the creation of an additional 500,000,000 new consolidated shares, details of which were disclosed in the Company's circular dated 29 February 2024.

CAPITAL EXPENDITURE

The Group incurred capital expenditure of approximately HK$nil during the Period (For the year ended 31 December 2025: approximately HK$nil).

FOREIGN EXCHANGE

Given the increasingly international nature of our operations and business coverage, the Group faces foreign exchange exposure including transaction and translation exposure. As far as possible, the Group aims to achieve natural hedging by investing and borrowing in the functional currencies. Where a natural hedge is not possible, the Group will mitigate foreign exchange risks via appropriate foreign exchange contracts. The Group has not entered nor will it enter into any derivative transactions for speculative trading purposes as at 30 June 2026 (For the year ended 31 December 2025: Nil).

SIGNIFICANT INVESTMENTS HELD

The Group had not held any significant investments during the Period.

MATERIAL ACQUISITIONS AND DISPOSALS

During the Period, the Group did not have any material acquisitions and disposal of subsidiaries, associates and joint ventures.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any significant contingent liabilities (For the year ended 31 December 2025: Nil).

EMPLOYEE INFORMATION

As at 30 June 2026, the Group employed a total of 11 permanent employees, who are mainly employees in administration department, down from 22 as at 30 June 2025. Total employee benefit expenses including Directors' remuneration for the Period were approximately HK$0.9 million, as compared to approximately HK$2.6 million in the same period last year. Employees of the Group are remunerated based on their individual performance, professional qualifications, experience in the industry and relevant market trends. The management regularly reviews the Group's remuneration policy and appraises the work performance of its staff. Employee remuneration includes salaries, allowances, bonuses, social insurance and mandatory pension fund contributions. As required by the relevant regulations in the PRC, the Group participates in the social insurance schemes operated by the relevant local government authorities. Our employees in Hong Kong participate in the mandatory provident fund scheme.

CHARGE ON GROUP ASSETS

As at 30 June 2026, the Group had no charges on Group's assets (For the year ended 31 December 2025: Nil).

INTERIM DIVIDEND

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

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

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

CORPORATE GOVERNANCE CODE

The Board of the Company is committed to achieving high corporate governance standards. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules as the basis of the Company's corporate governance practices.

During the Period and up to the date of this announcement, the Company has complied with all the applicable code provisions of the CG Code as the basis of the Company's corporate governance practices.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions (the "Securities Dealing Code") by the Directors and employees who, because of his office or employment in the Group, is likely to possess inside information of the Company.

In response to specific enquires made by the Company, all Directors have confirmed that they have complied with the required standard set out in the Model Code and the Securities Dealing Code for the Period.

For the Period, the Company is not aware of any incident of non-compliance of the Securities Dealing Code by the relevant employees.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company (the "Audit Committee") consists of four independent non-executive Directors including Ms. Kwok Sau King Tina, Mr. Wan, Aaron Chi Keung, Mr. Chan Luk On and Mr. Leung Tang Fung. Ms. Kwok Sau King Tina is the chairlady of the Audit Committee.

The Audit Committee has reviewed with the management of the Company the accounting principles and policies adopted by the Group, and the financial information of the Group, the unaudited interim results announcement of the Company for the Period and this announcement, and considered that they were prepared in compliance with the relevant accounting standards and that adequate disclosures have been made.

EVENTS AFTER THE PERIOD

There were no significant events affecting the Company nor any of its subsidiaries after the end of the Period requiring disclosure in this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (http://www.hkexnews.hk) and the Company's website at http://www.tongdahongtai.com. The full interim report will be made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Tongda Hong Tai Holdings Limited
Chan Shiu Man
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the executive Directors are Mr. Chan Shiu Man and Mr. Wang Ming Zhi; and the independent non-executive Directors are Mr. Wan Aaron Chi Keung, Mr. Chan Luk On, Ms. Kwok Sau King Tina and Mr. Leung Tang Fung.