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中國前沿科技集團
China Frontier Technology Group

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1661)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

The board (the "**Board**") of directors (the "**Directors**" and each a "**Director**") of China Frontier Technology Group (the "**Company**" or "**CH Frontier**") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026, together with the comparative figures for the corresponding period in 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*4*	**421,754**	18,244
Cost of services		**(406,126)**	(8,210)
Gross profit		**15,628**	10,034
Other income	*5*	**90**	3
Other gain, net	*6*	**11**	7,789
Net provision of impairment losses on trade receivables		**(11,375)**	(35,379)
Selling and distribution expenses		**(245)**	–
General and administrative expenses		**(2,876)**	(2,903)
(Loss)/profit from operations		**1,233**	(20,456)
Finance cost		**(109)**	(21)
Share of results of associates		**398**	208
(Loss)/profit before tax		**1,522**	(20,269)
Income tax expense	*8*	**(1,762)**	(849)
Loss for the period	*9*	**(240)**	(21,118)
Attributable to:			
Owners of the Company		**(240)**	(21,118)
Non-controlling interests		**–**	–
		(240)	(21,118)

	Note	Six months ended 30 June 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Other comprehensive income			
Item that are or may be reclassified to profit or loss:			
Exchange differences on translation from functional currency to presentation currency		**(1,740)**	3,328
Other comprehensive income for the period, net of tax		**(1,740)**	3,328
Total comprehensive expense for the period		**(1,980)**	(17,790)
Attributable to:			
Owners of the Company		**(1,980)**	(17,790)
Non-controlling interests		**–**	–
		(1,980)	(17,790)
Loss per share attributable to owners of the Company	*11*		
Basic and diluted *(RMB cents)*		**(0.13)**	(11.10)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2026

	Note	**30 June 2026 *RMB'000* (unaudited)**	31 December 2025 *RMB'000* (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**59**	101
Right-of-use assets		**1,367**	142
Financial assets at fair value through other comprehensive income		**30,209**	30,209
Investments in associates		**19,998**	–
Total non-current assets		**51,633**	30,452
Current assets			
Trade receivables	*12*	**217,179**	76,787
Other receivables		**101,601**	7,292
Prepayments and other current assets		**15,092**	97,496
Cash and cash equivalents		**268,336**	155,487
Total current assets		**602,208**	337,062
TOTAL ASSETS		**653,841**	367,514

	Note	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**3,011**	3,011
Reserves		**290,608**	292,588
		293,619	295,599
Non-controlling interests		**–**	–
TOTAL EQUITY		**293,619**	295,599
LIABILITIES			
Current liabilities			
Trade payables	*13*	**146,020**	60,253
Other payables and accrued expenses		**1,549**	2,363
Borrowing		**–**	5,000
Lease liabilities		**1,372**	148
Contract liabilities		**206,136**	889
Income tax payables		**5,145**	3,262
Total current liabilities		**360,222**	71,915
Non-current liability			
Bank borrowing		**–**	–
Total non-current liability		**–**	–
TOTAL LIABILITIES		**360,222**	71,915
TOTAL EQUITY AND LIABILITIES		**653,841**	367,514
NET CURRENT ASSETS		**241,986**	265,147

NOTES TO THE INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. GENERAL INFORMATION

China Frontier Technology Group (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (2012 Revision) of the Cayman Islands on 21 March 2012 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company in Hong Kong is Room B, 23/F, Yardley Commercial Building, 3 Connaught Road West, Sheung Wan, Hong Kong. The Company and its subsidiaries (collectively referred to as the "**Group**") is principally engaged in the provision of events operation and marketing services, and trading business in the PRC and Hong Kong.

2. BASIS OF PREPARATION

This interim financial information is unaudited and has been 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 the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). It was authorised for issue on 30 August 2026.

This interim financial information should be read in conjunction with the 2025 annual financial statements, which were prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**") (including all HKFRSs, HKASs and Interpretations). The accounting policies (including the critical judgements made by the Directors in applying the Group's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of this interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2025.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The accounting policies applied in this interim financial information are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2025. In the current interim period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective from 1 January 2026 but these developments do not have a material effect on this interim financial information.

A number of new HKFRSs and amendments to HKFRSs are effective from 1 January 2026 and earlier application is permitted. The Group has not early adopted any new HKFRSs or amendments to HKFRSs that are not effective for the current interim period.

4. REVENUE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Events operation and marketing income	**140,058**	18,244
Trading business income	**281,696**	–
	421,754	18,244

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Timing of revenue recognition		
– At a point in time	**421,754**	18,244
– Over time	**–**	–
	421,754	18,244

Except for rental income from equipment under operating leases within sports services having revenue recognised over time covering the periods of sports-related competitions and other events, revenue recognised at a point in time for the six months ended 30 June 2026 comprises income generated from sports-related competitions by the provision of events operation and marketing services, and all other sports services when the competitions are held, and income generated from the trading business.

5. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Interest income from short-term bank deposits	**90**	3

6. OTHER (LOSS)/GAIN, NET

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Exchange gains/(losses), net	**11**	(244)
Investment losses	**–**	(1,088)
Gain on disposal of subsidiary	**–**	9,121
	11	7,789

7. SEGMENT INFORMATION

Information reported to the Chief Executive Officer, being the chief operating decision maker ("**CODM**"), for the purpose of resources allocation and assessment of segment performance focuses on types of services provided.

The Group has two reportable operating segments, which are: (a) Events Operation and Marketing; and (b) Trading Business.

The Group's operating and reportable segments are as follows:

Events Operation and Marketing	Providing marketing services in conjunction with sports-related competitions. Type of revenue includes corporate sponsorship income.
Trading Business	Trading of functional materials.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment results are measured as gross loss/(profit) of each segment without allocation of selling and distribution expenses, general and administrative expenses, finance cost, other income, other losses, share of results of associates and income tax expense. This is the measure reported to the CODM for the purpose of resources allocation and performance assessment.

No segment assets or liabilities information or other segment information is provided as the CODM does not review this information for the purpose of resources allocation and assessment of segment performance.

No geographical segment information is presented as all the sales and operating losses of the Group are derived within the PRC and all the operating assets of the Group are located in the PRC, which is considered as one geographic location with similar risks and returns.

The segment information provided to the CODM for the reportable segments for the six months ended 30 June 2026 and 2025 is as follows:

Six months ended 30 June 2026

	Events Operation and Marketing *RMB'000* (unaudited)	Trading Business *RMB'000* (unaudited)	Total *RMB'000* (unaudited)
Revenue	**140,058**	**281,696**	**421,754**
Cost of services	**(133,420)**	**(272,706)**	**(406,126)**
Segment results	**6,638**	**8,990**	**15,628**
Other income			**90**
Other loss, net			**11**
Net provision of impairment loss on trade receivables			**(11,375)**
Selling and distribution expenses			**(245)**
General and administrative expenses			**(2,876)**
Finance cost			**(109)**
Share of result of associate			**398**
Income tax expense			**(1,762)**
Loss for the period			**(240)**

Six months ended 30 June 2025

	Events Operation and Marketing *RMB'000* (unaudited)	Trading Business *RMB'000* (unaudited)	Total *RMB'000* (unaudited)
Revenue	18,244	–	18,244
Cost of services	(8,210)	–	(8,210)
Segment results	10,034	–	10,034
Other income			3
Other gain, net			7,789
Net provision of impairment loss on trade receivables			(35,379)
Selling and distribution expenses			–
General and administrative expenses			(2,903)
Finance cost			(21)
Share of result of associate			208
Income tax expense			(849)
Loss for the period			(21,118)

8. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Hong Kong Profit Tax	**–**	849
PRC Corporate Income Tax	**1,762**	–
	1,762	849

Hong Kong Profit Tax is calculated at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the six months ended 30 June 2026.

PRC Corporate Income Tax has been provided at a rate of 25% for the six months ended 30 June 2026.

Tax charged on profits assessable elsewhere has been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

9. LOSS FOR THE PERIOD

The Group's loss for the period is stated after charging the following:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**50**	173
Depreciation of right-of-use assets	**416**	431
Staff costs		
– Salaries, bonuses and allowances	**1,809**	625
– Retirement benefits scheme contributions	**174**	30
Net provision of impairment losses on trade receivables	**11,375**	35,379

10. DIVIDENDS

The Board of Directors does not recommend the payment of any dividend in respect of the six months ended 30 June 2026 and 2025.

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
Loss attributable to owners of the Company		
Loss for the purpose of calculating basic and diluted loss per share	**(240)**	(21,118)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**190,294**	190,294

The computation of diluted loss per share did not assume the exercise of the Company's outstanding share options as the exercise price of those share options was higher than the average market price for shares for the six months ended 30 June 2026 and 2025.

12. TRADE RECEIVABLES

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Trade receivables	**280,119**	128,352
Allowance for impairment of trade receivables	**(62,940)**	(51,565)
	217,179	76,787

The aging analysis of trade receivables, net of allowance for impairment of trade receivables, presented based on the invoice dates is as follows:

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Within 1 month	**30,006**	67,865
1 to 3 months	**116,125**	8,922
4 to 6 months	**21,714**	–
7 to 12 months	**49,334**	–
Over 1 year	**–**	–
	217,179	76,787

The carrying amounts of the Group's trade receivables are all denominated in RMB.

13. TRADE PAYABLES

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Trade payables	**146,020**	60,253

Trade payables comprised amounts due to suppliers for purchase of goods or services used in regular course of business. Trade payables are non-interest bearing and generally due upon demand. The aging analysis of trade payables based on the invoice dates is as follows:

	30 June 2026 *RMB'000* **(unaudited)**	31 December 2025 *RMB'000* (audited)
Within 1 month	**106,848**	58,176
1 to 3 months	**39,172**	2,077
4 to 6 months	**–**	–
7 to 12 months	**–**	–
Over 1 year	**–**	–
	146,020	60,253

The carrying amounts of the Group's trade payables are all denominated in RMB.

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP OVERVIEW

In 2026, China Frontier Technology Group (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") continued to develop on the basis of its existing operations, while gradually expanding into new areas in response to evolving market conditions. Events operation and marketing remained the foundation, with a continued focus on golf events and other commercial events. This segment continues to form a core part of the business, and the Group will continue to develop and expand its presence in this area by actively sourcing different events, with a view to enhancing returns for shareholders of the Company.

During the period in 2026, the Group was involved in the organisation and promotion of various events, including golf tournaments, business forums and other commercial events. Illustrative examples include the "高爾夫（光弘杯•香港大學科學企業家校友高爾夫聯誼賽）"* (Guanghong Cup • HKU Sci-Tech Entrepreneurs Alumni Golf Tournament), the "港大CEO首期班畢業首賽暨2026開場杯"* (HKU CEO First Cohort Graduation Golf Tournament and 2026 Opening Cup), the "前沿沙龍香港站•AI創投分享會"* (Frontier Salon Hong Kong – AI Venture Capital Sharing Session) and the "鏈動世界未來無界前沿科技論壇"* (Linking the World, Boundless Future – Frontier Technology Forum). These events brought together participants from different business, technology, industry and investment communities and provided platforms for business exchange, networking and collaboration. They reflect the Group's ongoing efforts to leverage its events platform to facilitate interaction among industry participants.

Building on this foundation, the scope of activities has also extended to include business-oriented forums, particularly in areas related to artificial intelligence and frontier technology. These initiatives have further strengthened the Group's ability to identify market trends and potential business opportunities through engagement with industry participants.

Trading business has also continued to be developed as part of the Group's business. Since the fourth quarter of 2025, the Group explored trading opportunities in functional materials, taking into account market demand for products used in applications including consumer electronics, automobiles and other intelligent devices.

The Group trades functional materials with specific properties that are used across a range of end use applications. To develop this segment, the Group has sourced these materials from suppliers and supplied them to customers and distribution channels, thereby participating in multiple stages of the value chain.

The functional materials are composite materials formed by integrating polymer coatings with specific functionalities, such as adhesion, conductivity, heat dissipation, electromagnetic shielding, insulation, water resistance, onto various substrate carriers, such as PET film, PI film, copper foil, conductive fabrics, through precision coating processes. The core products are electromagnetic interference (EMI) shielding materials, thermal materials, re-workable materials and buffering materials, which are widely adopted materials in smartphones, laptops, automobiles, high-speed rail batteries, display modules, humanoid robots and other AI-enabled smart devices. This initiative represents an initial step toward expanding the Group's trading operations and diversifying its business activities.

Looking ahead, the Group continues to build on its events operations as a foundation while actively developing its functional materials trading business. By diversifying its operations, the Group expects to generate more sustainable income, strengthen the overall resilience of the business, and improve returns for the Company's shareholders.

OUTLOOK OF THE INDUSTRY AND THE GROUP

The Group trades functional materials products designed with specific properties for targeted applications across a wide range of end uses. By sourcing these materials from different suppliers and distributing them through both direct sales and established distribution channels, the Group is positioning itself within multiple points of the materials value chain. These activities not only create new revenue streams but also deepen the Group's technical and commercial understanding of high value specialty inputs, laying the groundwork for stronger supplier and customer relationships.

This initial expansion into trading represents a strategic move to diversify the Group's business model beyond its core events operations. Entering the functional materials market allows the Group to leverage existing commercial capabilities such as logistics, client management, and contract negotiation while developing new competencies in product specification, quality assurance, and regulatory compliance. Over time, the Group can scale this arm by broadening product offerings, refining target markets, and integrating value added services such as technical support, custom formulation, or inventory management for customers.

Looking forward, the Group intends to maintain events operations as its foundational business while actively growing the functional materials trading segment. This dual focus strategy aims to reduce reliance on any single revenue source and create more consistent, sustainable income streams across economic cycles. By strengthening the overall resilience of the business and enhancing long term profitability, the Group anticipates delivering improved returns and greater value to the Company's shareholders.

FINANCIAL REVIEW

During the reporting period, the Group had two business divisions which represented two reportable operating segments, namely:

(a) the Events Operation and Marketing segment, which provides marketing services in conjunction with sports-related competitions. Its revenue includes corporate sponsorship income; and

(b) the Trading business segment, which mainly involves the trading of functional materials.

Revenue

The Group's revenue increased by approximately 2,211.7% to RMB421.8 million for the six months ended 30 June 2026 from RMB18.2 million for the six months ended 30 June 2025, which was mainly due to the increase in revenue from the Trading Business segment. Details based on reportable segments are as follows:

- Revenue of the Events Operation and Marketing segment increased by approximately 667.7% to RMB140.1 million for the six months ended 30 June 2026 from RMB18.2 million for the six months ended 30 June 2025; and

- Revenue of the Trading Business segment increased to RMB281.7 million for the six months ended 30 June 2026 from RMBNil for the six months ended 30 June 2025.

Cost of Services

The Group's cost of services increased by approximately 4,846.7% to RMB406.1 million for the six months ended 30 June 2026 from RMB8.2 million for the six months ended 30 June 2025, which was mainly due to the increase in the cost of services for the Trading Business segment. Details based on reportable segments are as follows:

- Cost of the Events Operation and Marketing segment increased by approximately 1,525.1% to RMB133.4 million for the six months ended 30 June 2026 from RMB8.2 million for the six months ended 30 June 2025; and

- Cost of the Trading Business segment increased to RMB272.7 million for the six months ended 30 June 2026 from RMB Nil for the six months ended 30 June 2025.

Gross Profit and Gross Profit Margin

As a result of the aforementioned factors, the Group recorded a gross profit of RMB15.6 million for the six months ended 30 June 2026 as compared to a gross profit of RMB10.0 million recorded for the six months ended 30 June 2025. The Group recognised a gross profit margin of 3.7% for the six months ended 30 June 2026 as compared to a gross profit margin of 55.0% for the six months ended 30 June 2025. Details based on reportable segments are as follows:

- As a result of the foregoing changes in revenue and cost of services of the Events Operation and Marketing segment, the gross profit for the Events Operation and Marketing segment amounted to RMB6.6 million for the six months ended 30 June 2026 as compared to a gross profit of RMB10.0 million recorded for the six months ended 30 June 2025. The Group recognised a gross profit margin of 4.7% for the six months ended 30 June 2026 as compared to a gross profit margin of 55.0% for the six months ended 30 June 2025. The decrease in gross profit margin was mainly due to the fact that certain event projects have lower profit margins during the period; and

- As a result of the foregoing changes in revenue and cost of services of the Trading Business segment, the Group recorded a gross profit for the Trading Business segment of RMB9.0 million for the six months ended 30 June 2026 as compared to a gross profit of RMB Nil recorded for the six months ended 30 June 2025. The Group recognised a gross profit margin of 3.2% for the six months ended 30 June 2026 as compared to a gross profit margin of Nil for the six months ended 30 June 2025. The change in the gross profit was mainly as no revenue was generated from Trading Business segment for the six months ended 30 June 2025.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased to RMB0.2 million for the six months ended 30 June 2026 from RMB Nil for the six months ended 30 June 2025. The increase was mainly due to higher salaries for the staff responsible for trading functional materials.

General and Administrative Expenses

The Group's general and administrative expenses remained relatively stable at approximately RMB2.9 million for the six months ended 30 June 2026 as compared to RMB2.9 million for the six months ended 30 June 2025.

Other Income

The Group's other income increased by approximately 2,900.0% to RMB90,000 for the six months ended 30 June 2026 from RMB3,000 for the six months ended 30 June 2025. The increase was mainly due to the interest income from short-term bank deposit for the six months ended 30 June 2026.

Other Gain, Net

The Group recorded a net other gain of approximately RMB11,000 for the six months ended 30 June 2026 as compared to a net other gain of RMB7.8 million recorded for the six months ended 30 June 2025. The change was mainly due to the exchange gains recorded during the current period, while a gain on disposal of subsidiary of RMB9.1 million was recorded for the six months ended 30 June 2025.

(Loss)/Profit before Tax

As a result of the foregoing, the Group recognized a profit before tax of RMB1.5 million for the six months ended 30 June 2026 as compared to a loss before tax of RMB20.3 million for the six months ended 30 June 2025.

Income Tax Expense

The Group's income tax expense amounted to RMB1.8 million for the six months ended 30 June 2026 as compared to RMB0.8 million recorded for the six months ended 30 June 2025. The increase was mainly because the Group had more taxable gains.

Share of Results of Associates

The Group completed the acquisition of 49% equity interest in Ningbo Qihe New Material Technology Company Limited ("**Ningbo Qihe**") during the period at a cash consideration of approximately RMB19.6 million. Ningbo Qihe is principally engaged in the research, development, production and trading of functional materials, and is accounted for as an associate using the equity method. For the six months ended 30 June 2026, the Group recorded share of results of associates of RMB0.4 million (2025: RMB0.2 million), mainly derived from the Group's share of profit of Ningbo Qihe. Further details are set out in the Company's announcement dated 23 April 2026.

Loss Attributable to the Owners of the Company

As a result of the foregoing, the Group recognized the loss attributable to the owners of the Company of RMB0.2 million for the six months ended 30 June 2026 as compared to the loss attributable to the owners of the Company of RMB21.1 million for the six months ended 30 June 2025.

Other Comprehensive Income

The Group recorded other comprehensive expense of RMB1.7 million for the six months ended 30 June 2026 as compared to other comprehensive income of RMB3.3 million recorded for the six months ended 30 June 2025. The change was mainly due to the exchange differences arising on translation from functional currency to presentation currency recorded during the current period.

Cash Flow

As at 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB268.3 million compared with that of RMB155.5 million as at 31 December 2025. The cash and cash equivalents are denominated in Hong Kong dollars, United States dollars and British pound sterling but presented in the functional currency of RMB by the Group.

Working Capital

The Group's net current assets decreased by approximately 8.7% to RMB242.0 million as at 30 June 2026 from RMB265.1 million as at 31 December 2025. The Group maintained a stable net current asset value and a relatively high level of working capital that can adequately meet the daily working capital requirements and finance the business development.

Capital Expenditure

The Group's total spending on the acquisition of property, plant and equipment amounted to RMB Nil for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB Nil).

Borrowings

The Company had borrowings of RMB Nil as at 30 June 2026 (31 December 2025: RMB5.0 million).

Foreign Exchange

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Treasury Policies

The Company continues to adopt a prudent financial management approach towards its treasury policy. The Board will closely monitor the liquidity position to ensure that the liquidity structure of the Company's assets, liabilities and other commitments meets its funding requirements from time to time.

Financial Ratios

The current ratio of the Group as at 30 June 2026 is approximately 167.2% (as at 31 December 2025: 468.7%) and it represents a ratio of current assets to current liabilities. The gearing ratio of the Group as at 30 June 2026 is approximately 55.1% (as at 31 December 2025: 19.6%) and it is calculated as total liabilities divided by total assets.

LIQUIDITY AND FINANCIAL RESOURCES OF THE GROUP

In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally deposited with banks. As at 30 June 2026, the Group had net current assets of RMB242.0 million (31 December 2025: RMB265.1 million), of which cash and cash equivalents amounted to RMB268.3 million (31 December 2025: RMB155.5 million). The cash and cash equivalents are denominated in Hong Kong dollars, United States dollars and British pound sterling but presented in the functional currency of RMB by the Group. As at 30 June 2026, the Group had borrowings of RMB Nil (31 December 2025: RMB5.0 million).

The Group adopts a prudent approach in treasury management, ensuring that the Group maintains strong reserves of cash to finance its daily operations and future developments. In addition to the Group's payment arrangements with the clients set forth in the relevant agreements, the Group conducts a periodic review of their payment progress in the Group's internal control system and assesses the Group's credit policy. After taking into account a series of factors, including transaction volume, length of business relationship, prior dealing history with the Group, creditworthiness, industry practice, macroeconomic and market competition environment and the financial position, working capital needs and marketing and sales strategy of the Group, the Group may further extend credit periods ranging from three to six months for some clients. Such extension of credit periods is granted on a case-by-case basis and not set forth in the payment terms of the Group's agreements with relevant clients. The Group will continue to monitor the payment progress of these clients and take appropriate measures as to the collection of trade receivables based on the Group's assessment and ongoing communications with such clients. The Board will also closely monitor the liquidity position to ensure that the liquidity structure of the Company's assets, liabilities and other commitments meets the funding requirements from time to time.

The Group has not experienced any material impact or effect on its operations or liquidity as a result of fluctuations in foreign exchange rates for the six months ended 30 June 2026, nor has the Group used any financial instruments for hedging purposes as the risk of exposure to fluctuations in exchange rates is comparatively low.

CAPITAL STRUCTURE OF THE GROUP

The number of issued ordinary shares of the Company (the "**Shares**") as at 30 June 2026 was 190,294,200 Shares (31 December 2025: 190,294,200 Shares).

Share Consolidation and Increase in Authorised Share Capital

On 23 December 2024, every ten (10) Existing Shares in the issued and unissued share capital of the Company be consolidated into one (1) Consolidated Share. The Existing Shares of the Company will be consolidated from 1,902,942,000 Existing Shares in issue which are fully paid or credited as fully paid to 190,294,200 Consolidated Shares in issue which are fully paid or credited as fully paid.

The authorised share capital of the Company be increased from US$1,000,000 divided into 400,000,000 ordinary shares with a par value of US$0.0025 each to US$5,000,000 divided into 2,000,000,000 ordinary shares with a par value of US$0.0025 each by the creation of an additional 1,600,000,000 Shares.

Details of the Share Consolidation and Increase in Authorised Share Capital were set out in the Company's announcements dated 15 November 2024, 5 December 2024, and 23 December 2024.

Save for the above, there was no alteration in the capital structure of the Group for the six months ended 30 June 2026.

CHARGE ON ASSETS

As at 30 June 2026, there was no charge on the Group's assets.

CONTINGENT LIABILITIES

As at 30 June 2026, the Company had no material contingent liabilities.

INTERIM DIVIDEND

No interim dividend has been paid or declared by the Company for the six months ended 30 June 2026 (for the 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 purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcement of the Company dated 25 August 2026 in relation to, among other things, the advance payment made by the Group to ATOP Corporation*（四川華拓光通信股份有限公司）(“**ATOP**”).

On 9 July 2026, Broadcom Advanced New Materials (Shenzhen) Company Limited（博通前沿新材料（深圳）有限公司）(“**Broadcom Advanced**”), a wholly-owned subsidiary of the Company, entered into a framework agreement (the “**Broadcom Framework Agreement**”) with ATOP in relation to the entrusted procurement of chip materials (the “**Chip Materials**”) required for the production of Specific Communication Products.

On 10 July 2026, the Company entered into a separate framework agreement with ATOP in relation to the entrusted procurement of Chip Materials for the same purpose (the “**Company Framework Agreement**”, together with the Broadcom Framework Agreement, the “**Framework Agreements**”).

Under the Framework Agreements, ATOP shall procure the Chip Materials from designated supplier(s) in its own name based on the procurement requirements of the Company or Broadcom Advanced. The Chip Materials shall be used for the production of Specific Communication Products to be supplied to the Group and shall not, without prior consent, be used for any third party.

Pursuant to the respective Framework Agreements, Broadcom Advanced made an advance payment of RMB35.23 million directly to ATOP on 10 July 2026 for the procurement of the Chip Materials. The Company made an advance payment of approximately US$9.72 million on 22 July 2026 directly to Morrihan International Corp.*（茂宣企業股份有限公司）, a supplier designated by ATOP. Under the Company Framework Agreement, such payment is deemed to constitute payment by the Company to ATOP.

No interest is payable on the advance payments under the Framework Agreements as it is ordinary and usual course of business of the Company. Each of the Company and Broadcom Advanced may, under its respective Framework Agreement, apply the relevant advance payment against the purchase price payable for the relevant Specific Communication Products or require ATOP to refund such advance payment. Any excess procurement funding shall be refunded to the relevant Group entity or, with its consent, applied towards subsequent procurement of the Chip Materials.

Pursuant to the Framework Agreements, if ATOP fails to put the Chip Materials into production of the Specific Communication Products scheduled by the Group as agreed thereunder, such event shall constitute a default by ATOP. If such a default event occurs, the Group may take the following measures.

In the event of default by ATOP, the Group shall be entitled to exercise disposal rights over the Chip Materials, sell the Chip Materials, or require ATOP to purchase such Chip Materials at the purchase price of such batch of materials plus 20% liquidated damages.

In the event of default by ATOP, the relevant Group entity may require ATOP to refund the relevant procurement funding and is also entitled to a default charge calculated by reference to four times the one-year loan prime rate (LPR) published by the National Interbank Funding Center in accordance with the relevant Framework Agreements.

The Framework Agreements further provide that, in the event of default by ATOP, the relevant entity of the Group is entitled to exercise security rights over ATOP's existing and future inventories pursuant to the relevant movable property floating charge arrangement. In addition, title to the Chip Materials procured under the Framework Agreements shall vest in the relevant entity of the Group in accordance with the terms of such Framework Agreements.

As the aggregate relevant advance by the Group to ATOP exceeds 8% under the assets ratio as defined in Rule 14.07(1) of the Listing Rules, the Company is required to announce the information relating to the relevant advance to ATOP pursuant to Rule 13.13 of the Listing Rules.

The Company will comply with the disclosure requirements under Rule 13.20 of the Listing Rules where the circumstances giving rise to this disclosure continue to exist at the Company's interim period end or financial year end.

Save as disclosed in this announcement, there was no significant event after 30 June 2026 that will have a material impact on the operation or financial position of the Group.

CORPORATE GOVERNANCE CODE

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

The Company has applied the applicable principles and code provisions as set out in Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules. Such policies and procedures provide the infrastructure for enhancing the Board's ability to implement governance and exercise proper oversight on business conducts and affairs of the Company.

The Board is of the view that throughout the six months ended 30 June 2026 the Company has fully complied with the applicable principles and code provisions as set out in Part 2 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules as the code of conduct regarding directors' securities transactions. Specific enquiry has been made with all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code throughout the six months ended 30 June 2026.

The Company has also established written guidelines no less exacting than the Model Code (the "**Employees Written Guidelines**") for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") in compliance with Rule 3.21 of the Listing Rules and with terms of reference were in compliance with the code provision D.3 of the CG code for the purpose of reviewing the financial information and providing supervision on the financial reporting system and the review of the risk management and internal control systems (including the Anti-corruption Policy and Whistleblowing Policy of the Company) as well as the effectiveness of the internal audit function of the Group.

As at the date of this announcement, the Audit Committee comprises three members, namely Ms. Leung Hiu Man (Chairlady), Ms. Gao Wenjuan and Ms. Peng Xiaoliu, all being independent non-executive Directors.

The interim results of the Group for the six months ended 30 June 2026 are unaudited and have not been reviewed by the external auditor of the Company. The Audit Committee has reviewed together with the Company's management the accounting principles and practices adopted by the Group and financial reporting matters including a review of the unaudited consolidated interim results of the Group for the six months ended 30 June 2026. The Audit Committee has no disagreement with the accounting treatment adopted by the Company.

PUBLICATION OF 2026 INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (http://1661.hk/), and the 2026 interim report containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
China Frontier Technology Group
Ren Song
Chairlady and Executive Director

Hong Kong, 31 August 2026

As at the date of this announcement, the executive Directors are Ms. Ren Song, Ms. Zhang Panpan and Ms. Zhang Yingzhao; and the independent non-executive Directors are Ms. Gao Wenjuan, Ms. Leung Hiu Man and Ms. Peng Xiaoliu.

* *For identification purpose only*