長虹佳华

CHANGHONG IT

CHANGHONG JIAHUA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code : 3991

2026 INTERIM REPORT

CONTENTS

Corporate Information

Registered office	Richmond House 12 Par-la-Ville Road Hamilton HM 08 Bermuda
Head office and principal place of business	Unit 1412, 14/F, West Tower, Shun Tak Centre 168–200 Connaught Road Central Hong Kong
Bermuda principal share registrar and transfer office	Conyers Corporate Services (Bermuda) Limited Richmond House 12 Par-la-Ville Road Hamilton HM 08 Bermuda
Hong Kong branch share registrar and transfer office	Computershare Hong Kong Investor Services Limited Shops 1712–1716, Hopewell Centre 183 Queen’s Road East Hong Kong
Principal banker	The Hongkong and Shanghai Banking Corporation Limited China Insurance Group Building 141 Des Voeux Road Central, Sheung Wan Hong Kong
Stock exchange	Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”)
Stock code	3991
Website	www.changhongit.com
E-mail address	fengyl@changhongit.com

Corporate Information

Board of Directors

Executive Directors	Mr. ZHU Jianqiu *(Chairman and President)* Mr. ZHAO Qilin Ms. MAO Haiyun Mr. MA Ban Ms. SU Huiqing Mr. ZHOU Jiachao
Independent Non-executive Directors	Mr. Jonathan CHAN Ming Sun Mr. GAO Xudong Mr. MENG Qingbin
Authorised representatives	Mr. ZHU Jianqiu Ms. LAM Chin Hei
Company Secretary	Ms. LAM Chin Hei
Audit Committee	Mr. Jonathan CHAN Ming Sun *(Chairman)* Mr. GAO Xudong Mr. MENG Qingbin
Remuneration Committee	Mr. Jonathan CHAN Ming Sun *(Chairman)* Mr. ZHU Jianqiu Mr. MENG Qingbin
Nomination Committee	Mr. ZHU Jianqiu *(Chairman)* Ms. SU Huiqing Mr. Jonathan CHAN Ming Sun Mr. GAO Xudong Mr. MENG Qingbin
Auditor	SHINEWING (HK) CPA Limited Registered Public Interest Entity Auditors 17/F, Chubb Tower, Windsor House 311 Gloucester Road, Causeway Bay Hong Kong

Chairman's Statement

Dear Shareholders,

For the six months ended 30 June 2026, persistent geopolitical conflicts and rising trade protectionism kept the external environment highly uncertain. Against this backdrop, the Group maintained stable operations, with overall business trending positively and steady growth achieved in both revenue and profit.

BUSINESS REVIEW

In the first half of 2026, the global industrial chain underwent accelerated restructuring, with artificial intelligence and the digital economy emerging as key engines of growth. Driven by China's "anti-involution" policies and the cultivation of new quality productive forces, the economy remained generally stable with an improving structure, while the ICT industry continued to demonstrate strong resilience. During the period, the Group fully launched its 15th Five-Year Plan, steadfastly adhering to the business principle of "Building a friendly ecosystem together, creating ecological value, and achieving win-win high-quality growth". With intelligent distribution services as the ballast, we accelerated a systematic shift from linear chain thinking to ecosystem thinking, leveraging digital and intelligent technologies to continuously build diversified intelligent distribution service capabilities and professional service capabilities, thereby creating and enhancing ecosystem value. At the same time, we deepened strategic synergy with ecosystem partners, moving from exploration to large-scale development in strategic areas such as Cloud + AI, the Metaverse, the low-altitude economy, and digital marketing. Differentiated competitive advantages gradually emerged, fostering new growth drivers.

In the first half of 2026, the Group recorded revenue of approximately HK$27,782.12 million, representing an increase of 31.24% over the same period of the previous financial year. The overall gross profit margin for the period was 2.68%, down approximately 0.39 percentage points year-on-year, mainly attributable to intense market competition. Profit attributable to shareholders for the first half of 2026 amounted to approximately HK$205.70 million, an increase of approximately 13.52% year-on-year. Basic earnings per share were approximately HK$8.00 cents, compared with HK$7.05 cents in the previous corresponding period, an increase of HK$0.95 cents.

During the period, the Group continuously strengthened fundamental management and intensified efforts in the development of digital and intelligent systems and the optimisation of business processes. By deploying advanced technologies such as artificial intelligence and big data, we built an intelligent business system that enhanced operational quality and efficiency, empowered business innovation, and precisely matched the personalised and customised needs of ecosystem partners, thereby comprehensively upgrading our intelligent distribution service capabilities. Risk management and control were consistently reinforced, with strict inventory management, credit management and accounts receivable management maintained. We allocated funds in a prudent manner and accelerated capital turnover to ensure the safe and efficient use of working capital. The Group also continued to strengthen cost control. Research and development expenses decreased compared with the same period last year, mainly due to a reduction in development personnel and service fees. Administrative expenses increased compared with the same period last year, mainly attributable to the increase of stamp duty and staff costs. Distribution and selling expenses increased compared with the same period last year, primarily due to higher marketing expenditures, while finance costs decreased mainly due to the reduction in the scale of bank borrowings and lower borrowing interest rates.

For the six months ended 30 June 2026, the revenue and profits of the three operating segments of the Group were analyzed as follows (RMB exchange rate fluctuations may affect the number/percentage of segments):

ICT consumer products distribution business: Capitalising on the window of opportunity created by AI product iteration and national consumption stimulus policies, the segment actively expanded high-potential product resources, consolidated its penetration into lower-tier channels, and deepened its integrated online-to-offline retail model. Leveraging a favourable supply chain window, it achieved relatively rapid scale growth and continued to acquire customers and increase revenue through its mature integrated retail service system, with operating efficiency improving steadily. Powered by big data and AI technologies as core engines, the segment continuously enhanced its digital intelligent integrated service platform, efficiently connecting the industry ecosystem and generating new business opportunities. The business's turnover increased by 36.70% to HK$11,580.28 million compared with the same period last year, while its profit increased by 35.06% to HK$174.97 million.

ICT corporate products distribution business: This business seized market opportunities arising from the rapid development of the AI industry and the expansion of data centres. Leveraging the strong momentum in server procurement, core business lines achieved a substantial acceleration in growth and maintained sound growth momentum. All business units implemented high-quality operating strategies, with operational quality and efficiency continuously improving. At the same time, the Group steadily advanced the rollout of emerging businesses, continued to develop the cloud ecosystem service platform and JiaLink intelligent marketing platform, accelerated the deployment of Cloud + AI, digital marketing, cold storage and other areas, and promoted business model innovation and value enhancement. The business's turnover increased by 32.07% to HK$11,064.93 million compared with the same period last year, while its profit increased by 3.85% to HK$230.40 million due to intense market competition.

Other businesses: Driven by the growth in smartphone sales volume. The business's turnover increased by 18.93% to HK$5,136.91 million compared with the same period last year, while its profit increased by 8.16% to HK$48.78 million.

OUTLOOK

In the second half of 2026, geopolitical conflicts in multiple regions are expected to persist and trade tensions to continue intensifying, further increasing global policy uncertainty. Global economic recovery still faces significant pressure and challenges. As the opening year of the 15th Five-Year Plan, China will enhance the coordination between fiscal and monetary policies and focus on expanding domestic demand. It will implement targeted measures to adjust the industrial structure, deeply address "involution-style" competition, develop new quality productive forces, and foster new economic growth drivers, providing momentum for the steady development of the Chinese economy. In the second half of 2026, adhering to the business principle of "Building a friendly ecosystem together, creating ecological value, and achieving win-win high-quality growth", the Group will remain grounded in its essence as a technology service enterprise, driven by innovation, using digital and intelligent technologies as the means, and with intelligent distribution services as the cornerstone. We will expand new ecosystems in areas such as Cloud + AI, digital marketing, the Metaverse and the low-altitude economy, continuously promote service innovation and value creation, help partners maximise ecosystem value, achieve win-win high-quality growth, and deliver greater contributions to shareholders.

ZHU Jianqiu
Chairman

12 August 2026

Management Discussion and Analysis

FINANCIAL SUMMARY

- Revenue for the six months ended 30 June 2026 was approximately HK$27,782.12 million (2025: HK$21,168.69 million), representing an increase of 31.24% as compared with the previous period.

- Profit for the six months ended 30 June 2026 was approximately HK$205.70 million (2025: HK$181.19 million), representing an increase of 13.52% as compared with the previous period.

- Total comprehensive income for the six months ended 30 June 2026 was approximately HK$382.04 million (2025: HK$241.06 million). This increase was mainly due to the fluctuations in the RMB exchange rate.

LIQUIDITY AND FINANCIAL RESOURCES

During the six months ended 30 June 2026, the Group's financial and liquidity positions remained healthy and stable. As at 30 June 2026, the Group's total interest-bearing borrowings amounted to approximately HK$1,739.04 million and its cash and bank balances amounted to approximately HK$3,692.08 million. Net current assets of the Group was approximately HK$3,600.95 million. The net gearing ratio (total net debt/total shareholders' equity) of the Group as at 30 June 2026 was 3.79 times. The management is confident that the Group's financial resources is sufficient for its daily operations.

PLEDGE OF ASSETS

The Group did not have any mortgage or charge over its fixed assets as at 30 June 2026 (2025: Nil).

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES AND RELATED HEDGES

The Group's monetary assets and liabilities and transactions are principally denominated in Renminbi, Hong Kong dollars and United States dollars. As the spread of exchange rate of Renminbi is locked and the exchange rate between Hong Kong dollars and United States dollars is pegged, the Group believes its exposure to exchange risk is minimal. The Group will continue to monitor the situation and assess whether any hedging arrangement is necessary.

As at 30 June 2026, the Group did not have any foreign currency investments which have been hedged by currency borrowings and other hedging instruments.

TREASURY POLICY

Cash and bank deposits of the Group are either in Renminbi, Hong Kong dollars and United States dollars. The Group conducts its core business transaction mainly in Renminbi, Hong Kong dollars and United States dollars. The Group did not use any derivative instruments to hedge its foreign currency exposure as the Group considered its foreign currency exposure is insignificant.

TRANSFER OF FINANCIAL ASSETS

As at 30 June 2026 and 31 December 2025, the Group (i) endorsed certain bills receivable for the settlement of trade and other payables; and (ii) discounted certain bills receivable to banks for raising of cash. In the opinion of the directors of the Company, the Group has transferred the significant risks and rewards relating to these bills receivable, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of default in payment of the endorsed and discounted bills receivable is low because all endorsed and discounted bills receivable are issued and guaranteed by the reputable banks in the PRC. As a result, the relevant assets and liabilities were not recognized in the consolidated financial statements. The maximum exposure to the Group that may result from the default of these endorsed and discounted bills receivable at the end of each reporting period are as follows:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Settlement of trade and other payables	**204,427**	218,251
Discounted bills for raising of cash	**2,808,991**	1,684,320
Outstanding endorsed and discounted bills receivables with recourse	**3,013,418**	1,902,571

The outstanding endorsed and discounted bills receivables are aged within 185 days at the end of the reporting period (2025: 360 days).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any significant investments, acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 June 2026, the Group had no material capital commitments and no future plans for material investments or capital assets.

EVENTS AFTER THE REPORTING PERIOD

There are no significant events that might affect the Group after the reporting period up to the date of this report.

EMPLOYMENT AND REMUNERATION POLICY

As at 30 June 2026, the total number of the Group’s staff was 1,348 (as at 30 June 2025: 1,359). The Group remunerates its employees based on their performance, experience and prevailing industry practice. The Group provides retirement benefit for its employees in Hong Kong in the form of mandatory provident fund, and pays social pension insurance and housing provident fund for its employees in China in accordance with the local laws and regulations.

DIVIDEND

The Board has resolved not to declare any dividend for the six months ended 30 June 2026 (2025: Nil).

Other Information

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sales of treasury shares (as defined in the Listing Rules), if any).

As at 30 June 2026, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the corporate governance code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules which sets out corporate governance principles and code provisions (the "**Code Provisions**"). Throughout the six months period ended 30 June 2026, the Company has complied with all the Code Provisions as set out under the CG Code, except the following deviations:

Code Provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual. As Mr. ZHU Jianqiu serves as both the chairman of the Board and the president, such practice deviates from code provision C.2.1 of the CG Code. Although the roles of chairman of the Board and president are performed by the same individual, all major decisions have been made in consultation with members of the Board as well as senior management. The Board comprises three independent non-executive Directors who offer different independent perspectives. Therefore, the Board is of the view that there is adequate balance of power and safeguards in place.

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted the model code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' dealings in securities of the Company (the "**Code of Conduct**").

Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standards as set out in the Code of Conduct during the six months ended 30 June 2026.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

Pursuant to Rule 3.21 of the Listing Rules, the Company established an audit committee with written terms of reference aligned with the provision of the code provisions set out in Appendix C1 of the Listing Rules.

The primary responsibilities of the audit committee of the Company (the "**Audit Committee**") are to review and supervise the financial reporting process and internal control system of the Group. The members of the Audit Committee are Mr. Jonathan CHAN Ming Sun (chairman of the committee), Mr. GAO Xudong and Mr. MENG Qingbin.

The financial information in this report has not been reviewed or audited by the external auditor of the Company but the Audit Committee has reviewed the Group's results for the six months ended 30 June 2026.

REMUNERATION COMMITTEE

The primary responsibilities of the remuneration committee of the Company (the "**Remuneration Committee**") are to review and make recommendation for the remuneration policy of the directors and senior management. The members of the Remuneration Committee are Mr. Jonathan CHAN Ming Sun (chairman of the committee), Mr. ZHU Jianqiu and Mr. MENG Qingbin.

NOMINATION COMMITTEE

The primary responsibilities of the nomination committee of the Company (the "**Nomination Committee**") are to formulate nomination policy and make recommendation to the Board on nomination and appointment of directors and board succession. The members of the Nomination Committee are Mr. ZHU Jianqiu (chairman of the committee), Ms. SU Huiqing, Mr. Jonathan CHAN Ming Sun, Mr. GAO Xudong and Mr. MENG Qingbin.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES IN THE COMPANY

As at 30 June 2026, the interests or short positions of the Directors and chief executives of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix C3 to the Listing Rules were as follows:

Interests and Short Positions in the Company

Name of Director	Capacity	Number of ordinary shares interested (Note a)	Approximate percentage of interest
Mr. Zhu Jianqiu	Beneficial owner	115,165,762 (L)	7.92%
Mr. Zhao Qilin	Beneficial owner	750,000 (L)	0.05%
Ms. Su Huiqing	Beneficial owner	34,589,636 (L)	2.38%

Note:

(a) (L) represents long position.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executives of the Company had interests in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to the Model Code set out in Appendix C3 to the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months end 30 June 2026 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate. As at the date of this report, the Company has not granted any share options to the Directors.

INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS IN THE COMPANY

So far as the Directors were aware, as at 30 June 2026, the persons or companies (not being a Director or chief executive of the Company) whose interests or short positions in the Shares or underlying Shares or debentures of the Company which would fall to be disclosed or were notified to the Company and the Stock Exchange pursuant to the provisions under Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under section 336 of the SFO or who were directly or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

Long positions in Shares

Name of substantial shareholders	Capacity	Class of Shares	Number of Shares interested (Note a)	Approximate percentage of interest in relevant class of shares (Note b)
Sichuan Changhong Electric Co., Limited ("**Sichuan Changhong**")	Interest of controlled corporation	Ordinary share	874,650,000 (L) (Note c)	60.13%
		Preference share	1,115,868,000 (L) (Note d)	100.00%
Changhong (Hong Kong) Trading Limited ("**Changhong Hong Kong**")	Interest of controlled corporation and beneficial owner	Ordinary share	874,650,000 (L) (Note e)	60.13%
		Preference share	1,115,868,000 (L) (Note d)	100.00%
Fit Generation Holding Limited ("**Fit Generation**")	Beneficial owner	Ordinary share	858,650,000 (L)	59.03%
		Preference share	1,115,868,000 (L)	100.00%
Sichuan Chuantou Assets Management Co., Ltd. ("**Chuantou Assets Management**") (Note f)	Beneficial owner	Ordinary share	83,009,340 (L)	5.70%
Sichuan Energy Development Group Co., Ltd. ("**Sichuan Energy Development Group**") (Note f)	Interest of controlled corporation	Ordinary share	83,009,340 (L)	5.70%

Notes:

(a) (L) represents long position.

(b) The percentages are calculated based on the total number of Shares and preference shares of the Company in issue as at 30 June 2026, which were 1,454,652,000 and 1,115,868,000, respectively.

(c) Among the 874,650,000 Shares interest held by Sichuan Changhong,16,000,000 Shares were held through its wholly-owned subsidiary, Changhong Hong Kong and 858,650,000 Shares were held through Fit Generation, which is wholly-owned by Changhong Hong Kong. Sichuan Changhong is therefore deemed to be interested in the Shares held by Changhong Hong Kong and Fit Generation for the purpose of the SFO. Sichuan Changhong Holding is the single largest shareholder of Sichuan Changhong, which held approximately 23.22% of the entire issued share capital of Sichuan Changhong and has de facto control over the composition of the majority of the board of Sichuan Changhong.

(d) 1,115,868,000 preference shares of the Company were held by Fit Generation, which is wholly-owned by Changhong Hong Kong, which is a wholly-owned subsidiary of Sichuan Changhong. Each of Sichuan Changhong and Changhong Hong Kong is therefore deemed to be interested in the preference shares of the Company held by Fit Generation for the purpose of the SFO.

(e) Among the 874,650,000 Shares interest held by Changhong Hong Kong, 16,000,000 Shares were held directly and 858,650,000 Shares were held through Fit Generation. As Fit Generation is wholly-owned by Changhong Hong Kong, Changhong Hong Kong is deemed to be interested in the Shares held by Fit Generation for the purpose of the SFO.

(f) Chuantou Assets Management was originally wholly-owned by Sichuan Investment Group Co., Ltd. ("**Sichuan Investment Group**"). On 27 February 2025, Sichuan Energy Development Group signed an agreement with Sichuan Investment Group and Sichuan Energy Investment Group Co., Ltd., according to which Sichuan Investment Group agreed to transfer all its shares in Chuantou Assets Management to Sichuan Energy Development Group. Sichuan Energy Development Group is therefore deemed to be interested in the Shares held by Chuantou Assets Management for the purpose of the SFO.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other person who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 5% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTEREST IN A COMPETING BUSINESS

Sichuan Changhong is a controlling shareholder of the Company established in the PRC of which shares are listed on the Shanghai Stock Exchange. Sichuan Changhong is principally engaged in the wholesale business of consumer home electronics items under the name of "Changhong".

Save as disclosed above, none of the Directors or the controlling shareholders of the Company or any of their respective close associates (as defined in the Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group and any other conflicts of interest which any person has or may have with the Group during the six months ended 30 June 2026.

CHANGES IN DIRECTORS' INFORMATION

There is no change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Notes	2026 HK$'000 (Unaudited)	2025 HK$'000 (Unaudited)
Revenue	3	27,782,118	21,168,691
Cost of sales		(27,037,175)	(20,519,053)
Gross profit		744,943	649,638
Other income		27,290	43,349
Research and development expenses		(11,104)	(17,602)
Administrative expenses		(110,153)	(89,527)
Impairment loss on trade receivables, net		(59,414)	(42,949)
Exchange loss, net		(29,578)	(11,098)
Distribution and selling expenses		(231,382)	(210,179)
Finance costs		(78,132)	(104,942)
Profit before tax		252,470	216,690
Income tax expense	6	(46,774)	(35,498)
Profit for the period attributed to owners of the Company	5	205,696	181,192
Other comprehensive expense			
Item that will not be reclassified to profit or loss:			
Exchange differences arising from translation of consolidated financial statements to presentation currency		176,346	59,866
Total comprehensive income for the period attributable to owners of the Company		382,042	241,058
Earnings per share			
Basic and diluted (HK cents)	7	8.00	7.05

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
NON-CURRENT ASSETS			
Plant and equipment		**6,842**	4,873
Investment properties		**439**	428
Intangible assets		**26,812**	28,379
Right-of-use assets		**13,435**	16,715
Deferred tax assets		**60,759**	57,246
Financial asset at fair value through profit or loss		**32,944**	31,682
		141,231	139,323
CURRENT ASSETS			
Inventories		**6,248,076**	6,828,616
Trade receivables	8	**5,484,002**	3,989,195
Bills receivables at fair value through other comprehensive income		**486,840**	270,072
Prepayments, deposits and other receivables		**434,216**	412,927
Amounts due from related companies		**43,988**	34,524
Refundable trade deposits		**1,382,030**	1,194,955
Pledged bank deposits		**2,561,849**	4,155,611
Cash and cash equivalents		**1,130,228**	415,399
		17,771,229	17,301,299
CURRENT LIABILITIES			
Trade and bills payables	9	**7,553,358**	4,719,686
Bills payables under supplier chain financing	9	**3,278,377**	5,524,745
Other payables		**544,688**	487,362
Tax payables		**13,911**	25,974
Borrowings	10	**1,739,044**	2,411,242
Amount due to related companies		**1,958**	3,622
Contract liabilities		**1,028,499**	894,701
Lease liabilities		**10,446**	11,457
		14,170,281	14,078,789
NET CURRENT ASSETS		**3,600,948**	3,222,510
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,742,179**	3,361,833

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
NON-CURRENT LIABILITIES			
Lease liabilities		**3,692**	5,687
Deferred Income		**299**	–
		3,991	5,687
NET ASSETS		**3,738,188**	3,356,146
CAPITAL AND RESERVES			
Share capital		**36,366**	36,366
Convertible preference shares		**27,897**	27,897
Reserves		**3,673,925**	3,291,883
TOTAL EQUITY		**3,738,188**	3,356,146

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Total equity at 1 January	**3,356,146**	2,979,155
Dividend payment	**0**	(128,526)
Decrease in exchange differences rising on translation	**176,346**	59,866
Net profit for the period attributable to shareholders	**205,696**	181,192
Total equity as at 30 June	**3,738,188**	3,091,687

Condensed Consolidated Statement of Cash Flow

For the six months ended 30 June 2026

	For the six months ended	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(1,988,253)**	(1,187,739)
Net cash generated from investing activities	**1,752,093**	3,577,174
Net cash (used in)/generated from financing activities	**950,989**	(1,693,493)
Net increase/(decrease) in cash and cash equivalents	**714,829**	695,942
Cash and cash equivalents at beginning of the period	**415,399**	561,776
Cash and cash equivalents at end of the period	**1,130,228**	1,257,718
Analysis of cash and cash equivalents		
Bank and cash balances	**1,130,228**	1,257,718

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

1. GENERAL

Changhong Jiahua Holdings Limited (the "**Company**") was incorporated in Bermuda with limited liability.

The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of its registered office is Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda. The address of its principal place of business is Unit 1412, 14/F., West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong.

The Company is an investment holding company . The principal activities of its subsidiaries (together with the Company, the "**Group**") are set out in Note 4 below.

The functional currency of the Company is Renminbi ("**RMB**") and the condensed consolidated financial statements are presented in Hong Kong dollars ("**HK$**"). As the Company is a public company with its shares listed on the Stock Exchange with most of its investors located in Hong Kong, the directors of the Company consider that HK$ is preferable in presenting the operating result and financial position of the Group.

Sichuan Changhong Electric Co., Limited ("**Sichuan Changhong**"), a company incorporated in the People's Republic of China (the "**PRC**") with its shares listed on the Shanghai Stock Exchange, has obtained the control over the board of directors of the Company since 2012. Sichuan Changhong Electronics Holding Group Co., Ltd. ("**Sichuan Changhong Holding**", a company established in the PRC and 90% owned by the State-owned Assets Supervision and Administration Commission of the Mianyang city government) is the single largest shareholder of Sichuan Changhong, which held approximately 23.22% of the entire issued share capital of Sichuan Changhong and has de facto control over the composition of the majority of the board of Sichuan Changhong. In the opinion of the directors of the Company, Sichuan Changhong Holding, Sichuan Changhong, Changhong (Hong Kong) Trading Limited and Fit Generation Holding Limited ("**Fit Generation**") remain as a group of controlling shareholders as at 30 June 2026. The Company's immediate holding company is Fit Generation, a private company incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements of the Group and selected explanatory notes has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

The condensed consolidated results for the six months ended 30 June 2026 have not been reviewed or audited by the external auditors of the Company but have been reviewed by the audit committee of the Company.

The accounting policies adopted are consistent with those followed in the preparation of the 2025 Consolidated Financial Statements, except for the amendments and interpretations of HKFRS Accounting Standards issued by HKICPA which have become effective in this period as detailed in the notes of the 2025 Consolidated Financial Statements.

3. REVENUE

The principal activities of the Group are the provision of professional integrated Information and Communication Technology ("**ICT**") solutions and services, and distribution of ICT consumer products, ICT corporate products, smartphones, own brand products and related parts and components.

The amounts of each significant category of revenue recognised in revenue for the six months ended 30 June 2026 and 2025 are as follows:

	For the six months ended 30 June	
	2026 **HK$'000** **(Unaudited)**	2025 HK$'000 (Unaudited)
Revenue		
ICT Consumer Products	**11,580,282**	8,471,250
ICT Corporate Products	**11,064,929**	8,378,265
Others	**5,136,907**	4,319,176
	27,782,118	21,168,691

4. SEGMENT INFORMATION

Information reported to the executive directors or the management of the Company, being the chief operating decision maker (the "**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

4. SEGMENT INFORMATION (CONTINUED)

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

(a) ICT Consumer Products — distribution of ICT consumer products which include mainly personal computers, digital products and IT accessories.

(b) ICT Corporate Products — distribution of ICT corporate products which include mainly storage products, minicomputers, networking products, personal computer servers, intelligent building management system products and unified communications and contact centre products.

(c) Others — distribution of smartphones and development of its own brand products including but not limited to intelligent terminals, sales of warranty packages and professional integrated ICT solutions and provision of ICT services.

Segment profit represents the profit earned by each segment without allocation of other income, research and development expenses, finance costs, exchange gain/loss, net as well as unallocated head office and corporate administrative expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group's revenue and results by reportable and operating segment for the six months ended 30 June 2026 and 2025:

	For the six months ended 30 June 2026			
	ICT Consumer Products HK$'000	ICT Corporate Products HK$'000	Others HK$'000	Total HK$'000
Revenue				
External sales	11,580,282	11,064,929	5,136,907	27,782,118
Segment profit	174,968	230,401	48,778	454,147
Other income				27,290
Research and development expenses				(11,104)
Administrative expenses				(110,153)
Exchange loss, net				(29,578)
Finance costs				(78,132)
Profit before tax				252,470

4. SEGMENT INFORMATION (CONTINUED)

	For the six months ended 30 June 2025			
	ICT Consumer Products HK$'000	ICT Corporate Products HK$'000	Others HK$'000	Total HK$'000
Revenue				
External sales	8,471,250	8,378,265	4,319,176	21,168,691
Segment profit	129,547	221,864	45,099	396,510
Other income				43,349
Research and development expenses				(17,602)
Administrative expenses				(89,527)
Exchange loss, net				(11,098)
Finance costs				(104,942)
Profit before tax				216,690

Geographical information

The following provides an analysis of the Group's sales by geographical market for the six months ended 30 June 2026 and 2025, based on the origin of the operations:

	For the six months ended 30 June	
	2026 HK$'000 (Unaudited)	2025 HK$'000 (Unaudited)
Mainland China	**27,384,884**	20,906,633
Other regions	**397,234**	262,058
	27,782,118	21,168,691

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

5. PROFIT FOR THE PERIOD

The Group's profit for the period has been arrived at after charging for the six months ended 30 June 2026 and 2025:

	For the six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**27,037,175**	20,519,053
Depreciation of property plant and equipment	**901**	553
Depreciation of right-of-use assets	**6,301**	5,932
Staff cost including directors' emolument		
— Salary and related staff cost	**165,155**	149,465
— Retirement benefits scheme contribution	**47,440**	42,165
Exchange loss, net	**29,578**	11,098

6. INCOME TAX EXPENSE

Pursuant to the rules and regulations of the Bermuda, the Company is not subject to any income tax in the Bermuda.

Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the profits tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, except as disclosed below, the tax rates of the subsidiaries in PRC are 25% for both periods.

6. INCOME TAX EXPENSE (CONTINUED)

For the six months ended 30 June 2026 and 2025, Changhong IT Information Products Co., Ltd., Changhong IT Digital Technology Co., Ltd., Changhong IT Duo layou huo E-commerce Co., Ltd, and Sichuan Changhong Information Service Co., Ltd., operating in the PRC, have been qualified as the "Encouraged Enterprises" under "The Catalogue of Encouraged Industries in Western Regions" (the "**Catalogue**"), as their main business is one of the encouraged business in the Catalogue and the revenue from their main business accounts for more than the required percentage of their total revenue, and enjoyed the reduced preferential EIT rate of 15%. Accordingly, the profits derived by the aforesaid subsidiaries are subject to 15% EIT rate.

7. EARNINGS PER SHARE

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

	For the six months ended 30 June	
	2026 HK$'000 (Unaudited)	2025 HK$'000 (Unaudited)
Earnings		
Profit for the period attributable to owners of the Company	**205,696**	181,192

	2026 '000	2025 '000
Number of shares		
Weighted average number of ordinary shares and convertible preference shares for the purpose of basic and diluted earnings per share	**2,570,520**	2,570,520

As there were no potentially dilutive shares during the six months ended 30 June 2026 and 30 June 2025, the diluted earnings per share was same as basic earnings per share.

8. TRADE RECEIVABLES

The Group allows a credit period ranging from 0 to 180 days to its third party trade customers. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributed to customers are reviewed twice a year.

The following is an aged analysis of trade receivables measured at amortised cost, net of allowance for doubtful debts, based on invoice dates at the end of the reporting period which approximated the respective revenue recognition dates:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Within 30 days	**915,193**	453,207
31–60 days	**1,125,176**	677,551
61–90 days	**629,039**	311,537
91–180 days	**913,764**	669,583
181–365 days	**541,974**	753,829
Over 1 year	**1,358,856**	1,123,488
	5,484,002	3,989,195

9. TRADE AND BILLS PAYABLES/BILLS PAYABLES UNDER SUPPLIER CHAIN FINANCING

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Trade and bills payables	**7,553,358**	4,719,686
Bills payables under supplier chain financing	**3,278,377**	5,524,745
	10,831,735	10,244,431

The ageing analysis of trade payables, based on date of receipt of goods, is as follows:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Within 30 days	**1,246,292**	1,087,508
31–60 days	**623,739**	421,795
61–90 days	**77,209**	54,358
91–180 days	**148,425**	125,408
181–365 days	**160,249**	177,086
Over 1 year	**147,292**	144,405
	2,403,206	2,010,560

The credit period on purchase of goods is ranging from 30 to 120 days (2025: 30 to 120 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

10. BORROWINGS

The following provides an analysis of the Group's borrowings:

	As at 30 June 2026 HK$'000 (Unaudited)	As at 31 December 2025 HK$'000 (Audited)
Bank borrowings, unsecured	**1,739,044**	2,411,242

The range of effective interest rates (which are also equal to contracted interest rates) due in the Group's borrowings for the six months ended 30 June 2026 is fixed from 1.5% to 2.11% (2025: 1% to 4.67%).

11. DIVIDEND

	For the six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Dividends recognised as distribution during the periods: 2025 Final — Nil (2025: 2024 Final — HK$0.05) per share	**–**	128,526

The Board has resolved not to declare any dividend for the six months ended 30 June 2026 (2025: Nil).