Interim Report 2026

SUN.KING TECHNOLOGY GROUP LIMITED
賽晶科技集團有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 580

CONTENTS

CORPORATE INFORMATION

Executive Directors
Mr. Xiang Jie *(chairman of the board (the "**Board**") of directors (the "**Directors**", each a "**Director**"))*
Mr. Gong Renyuan *(chief executive officer)*
Mr. Yue Zhoumin

Independent Non-executive Directors
Mr. Chen Shimin
Mr. Zhang Xuejun
Mr. Leung Ming Shu
Ms. White Caige

Authorised Representatives
Mr. Yue Zhoumin
Ms. He Lina

Audit Committee
Mr. Chen Shimin *(chairman of the audit committee)*
Mr. Zhang Xuejun
Mr. Leung Ming Shu

Remuneration Committee
Mr. Leung Ming Shu *(chairman of the remuneration committee)*
Mr. Chen Shimin
Mr. Zhang Xuejun

Nomination Committee
Mr. Zhang Xuejun *(chairman of the nomination committee)*
Mr. Chen Shimin
Ms. White Caige

Strategy and Sustainability Committee
Mr. Xiang Jie *(chairman of the strategy and sustainability committee)*
Mr. Chen Shimin
Mr. Zhang Xuejun
Mr. Leung Ming Shu

Company Secretary
Ms. He Lina

Legal Advisers
Loeb & Loeb LLP

External Auditor
Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

Registered Office
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Cayman Islands

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Beijing
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Principal Place of Business in Hong Kong
31st Floor, Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Principal Share Registrar and Transfer Office
Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

Branch Share Registrar and Transfer Office in Hong Kong
Tricor Investor Services Limited
17th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

Principal Banks
Bank of China Limited (Zhejiang Yangtze River Delta Integration Demonstration Zone branch)
China Construction Bank Corporation (Wuxi Changan branch)
Bank of Communications Co., Ltd. (Zhejiang Yangtze River Delta Integration Demonstration Zone branch)
Bank of Ningbo Co., Ltd. (Jiaxing branch)

Listing Information
Place of listing: Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")
Stock code: 580

Website
www.sunking-tech.com

Dear shareholders,

Stepping into 2026, China has continued to vigorously advance the development of new-type power systems. With numerous ultra-high voltage ("**UHV**") direct current ("**DC**") transmission projects underway and the flourishing development of emerging industries such as new energy, energy storage, artificial intelligence ("**AI**") data centres and vessel electrification, Sun.King Technology Group Limited (the "**Company**") and its subsidiaries (together with the Company, the "**Group**") are presented with extensive market opportunities across their various business lines.

In the first half of 2026, due to the delivery of products for orders for several key projects, including the Gansu–Zhejiang UHVDC Transmission Project and the Cangnan Offshore Wind Power Transmission Project, and coupled with sale growth in sectors such as new energy power generation and energy storage, the Group achieved revenue of approximately RMB1.27 billion, representing an increase of approximately 43% as compared with the same period in 2025. However, due to fluctuations in the fair value of foreign exchange forward contracts and changes in foreign exchange gains and losses resulting from the depreciation of the Swiss franc, as well as the impact of factors such as reduction in government grants, the Group recorded a loss attributable to owners of the parent. The gross profit margin of the Group fell to approximately 22%, primarily due to changes in the product portfolio contributing to our revenue, with an increase in proportion of products with lower gross profit margins. Since 1 July 2026, the new foreign exchange forward contracts of the Group have been accounted for under hedge accounting. Consequently, the impact of fluctuations in the fair value of the foreign exchange forward contracts on the profit of the Group will be significantly reduced from the second half of 2026.

Judging from business segments, the business in the transmission and distribution sector remains the core base of the Group. In the first half of 2026, the Group achieved revenue of approximately RMB660 million from such sector, representing an increase of approximately 41% as compared with the same period in 2025. Among which, the flexible transmission sub-sector recorded an impressive growth, with revenue increasing significantly by approximately 76% as compared with the same period in 2025. On the other hand, although the performance of the Group in the regular DC transmission sector came under some pressure, products for orders for the West Inner Mongolia – Beijing-Tianjin-Hebei UHV Project and the remaining portion of the Belo Monte Phase III UHV Project in Brazil are expected to be delivered in the second half of 2026, the revenue of the Group in such sector is expected to rise. Currently, the business climate of the domestic UHV industry is on the rise. State Grid Corporation of China will accelerate the implementation of UHVDC projects during the "15th Five-Year Plan" period, laying a solid foundation for medium- and long-term business growth of the Group.

In terms of products, the delivery of DC support capacitors and smart grid online monitoring systems of the Group achieved significant revenue growth in the flexible transmission sub-sector. Regarding the self-developed power semiconductor business, the Group accelerated the iterative development of the seventh-generation micro-trench 1050V and 2300V insulated gate bipolar transistor ("**IGBT**") chips, as well as the research and development ("**R&D**") of 2300V silicon carbide ("**SiC**") metal-oxide-semiconductor field-effect transistors ("**MOSFETs**", each a "**MOSFET**"). Besides, while the Group launched 1200V/1100A ED type IGBT modules, products of silicon/SiC hybrid modules and SiC modules continued to enrich and covered diverse scenarios, including wind power, photovoltaic power, energy storage, commercial vehicles and AI data centres. In the first half of 2026, module sale increased by approximately 38% as compared with the same period in 2025, and chip sale increased by approximately 121% as compared with the same period in 2025. The seventh-generation i23 series IGBT chips and modules have both been rolled out to the market. Module products have also passed the road test certification of leading domestic commercial vehicle manufacturers and begun bulk shipments. In particular, Sunking Pacific Semiconductor Technology (Zhejiang) Co., Ltd., our subsidiary, was successfully listed as one of the specialised, sophisticated, distinctive and innovative "little giant" enterprises of the PRC, which manifested recognition from the state for technological innovation and practical achievements of the Group. Moreover, the solid-state switch business of the Group continued to exhibit a momentum of rapid development. In particular, the solid-state DC circuit breakers of the Group obtained the certification from the Registro Italiano Navale, which was its fourth global classification society certification. Delivery of products for multiple domestic vessel projects are expected to commence in the second half of 2026. The Group is fully committed to advancing its products and business related to AI data centres. Bulk orders for solid-state power components have been secured from global-leading AI equipment manufacturers. Around 1,000 units of AI liquid-cooling busbars were delivered. Also, samples of 2300V SiC modules are expected to be delivered in the second half of 2026.

Building on the national "15th Five-Year Plan" development strategy and seizing the opportunities arising from the transformative era of energy and computing power, the Group will remain committed to drive the R&D of technologies, and maintain a long-term focus on core power electronic technologies such as IGBTs, SiC and solid-state switches to deeply address demands from diverse scenario, including power grid transmission, new energy storage, data centre power supply and high-end industries. Through these initiatives, we aim to push for high-quality development.

On behalf of the Board, I would like to thank the shareholders of the Company (the "**Shareholders**", each a "**Shareholder**"), the stakeholders of the Company, the members of the Board and all our employees for their support and contributions. Together with the management team, I will continue to strive for better returns for the Shareholders and for greater corporate social value.

Xiang Jie
Chairman

Hong Kong, 24 August 2026

BUSINESS REVIEW

1. Domestic and overseas market performance

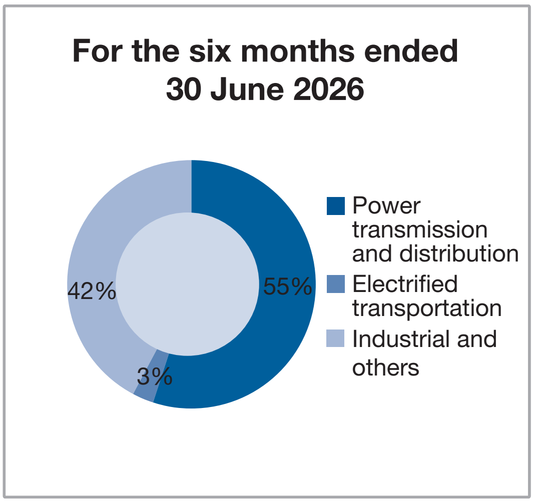
	For the six months ended 30 June			
	2026		2025	
	Revenue *(RMB'000)*	**Gross profit margin**	Revenue *(RMB'000)*	Gross profit margin
Domestic market	**1,209,831**	**21.1%**	845,968	24.7%
Overseas market	**59,537**	**39.2%**	42,352	47.4%
Total	**1,269,368**	**Average 22.0%**	888,320	Average 25.8%

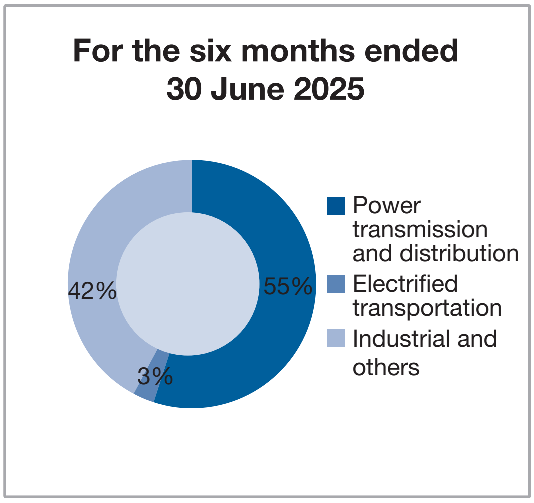
2. Domestic market performance

The products supplied by the Group are categorised into applied sectors, namely, power transmission and distribution, electrified transportation, and industrial and others. The performance of the Group in the domestic market is as follows:

	For the six months ended 30 June			
	2026		2025	
Applied sectors	**Revenue** *(RMB'000)*	**Gross profit margin**	Revenue *(RMB'000)*	Gross profit margin
Power transmission and distribution	**657,391**	**28.6%**	466,654	35.4%
Electrified transportation	**32,476**	**3.4%**	23,641	15.6%
Industrial and others	**519,964**	**12.8%**	355,673	11.3%
Total	**1,209,831**	**Average 21.1%**	845,968	Average 24.7%

The proportion of revenue of the Group from each of the applied sectors in the domestic market is as follows:





(a) Power transmission and distribution sector

The performance of the Group in the power transmission and distribution sector is as follows:

	For the six months ended 30 June		
	2026 Revenue *(RMB'000)*	2025 Revenue *(RMB'000)*	Change
Power transmission and distribution sector	**657,391**	466,654	41%
Regular DC transmission *(Note 1)*	**30,908**	89,205	-65%
Flexible transmission *(Note 2)*	**519,453**	295,960	76%
Other power transmission and distribution	**107,030**	81,489	31%

Notes:

1. Regular DC transmission refers to DC transmission technology with semi-controlled power electronic components such as thyristors as core devices of current-switching valves.

2. Flexible transmission includes flexible DC transmission, flexible low-frequency alternating current ("**AC**") transmission and grid-based static var generator, etc.

(i) Regular DC transmission and flexible transmission

The Group supplies products such as anode saturation reactors, power capacitors, DC support capacitors for flexible DC transmission, intelligent power grid online monitoring systems and power semiconductor components distributed by the Group to the sub-sectors of regular DC transmission and flexible transmission.

In the first half of 2025, the Group delivered products for orders for a number of projects, including the Hami – Chongqing ±800 kV UHVDC Transmission Project and the Shaanxi – Anhui ±800 kV UHVDC Transmission Project, in the regular DC transmission sub-sector; whereas in the first half of 2026, the Group only partially delivered products for orders for the Belo Monte Phase III UHV Project in Brazil, and products for orders for the West Inner Mongolia — Beijing-Tianjin-Hebei UHV Project and the remaining portion of the Belo Monte Phase III UHV Project in Brazil are expected to be delivered in the second half of 2026. Consequently, the revenue of the Group from the regular DC transmission sub-sector decreased by approximately 65% as compared with the same period in 2025.

In the first half of 2026, the Group continued to deliver products for orders for the Gansu–Zhejiang Flexible UHV Project, the current-switching valves project for the Saudi Arabia's Central-South Project, offshore wind power transmission projects and grid-forming technology-related projects. As the products delivered increased significantly as compared with the same period in 2025, the revenue of the Group from the flexible transmission sub-sector increased by approximately 76% as compared with the same period in 2025.

(ii) Other power transmission and distribution

The Group supplies products such as intelligent power grid online monitoring systems and power capacitors to the other power transmission and distribution sub-sector.

In the first half of 2026, primarily due to the growth in revenue from intelligent power grid online monitoring systems of the Group in the other power transmission and distribution sub-sector, the revenue of the Group from this sub-sector increased by approximately 31% as compared with the same period in 2025.

(b) Electrified transportation sector

The performance of the Group in the electrified transportation sector is as follows:

	For the six months ended 30 June		
	2026	2025	
	Revenue	Revenue	Change
	(RMB'000)	*(RMB'000)*	
Electrified transportation sector	**32,476**	23,641	37%
Rail transportation	**22,403**	17,532	28%
Electric vehicles	**8,092**	44	18,291%
Other transportation	**1,981**	6,065	-67%

(i) Rail transportation

The Group supplies power electronic components for traction converter systems to manufacturers of rail transit vehicle equipment, and devices such as power quality control devices to manufacturers of rail transportation power supply system.

In the first half of 2026, due to the increase in orders for products related to electric locomotives and high-speed trains, the revenue of the Group from this sub-sector increased by approximately 28% as compared with the same period in 2025.

(ii) Electric vehicles

The Group supplies products, including laminated busbars, cell contacting systems ("**CCSs**", each a "**CCS**") and self-developed power semiconductors (including IGBT and SiC), to the electric vehicles sub-sector.

In the first half of 2026, due to the increase in orders in electric passenger car and commercial vehicle sectors, the revenue of the Group from this sub-sector increased significantly as compared with the same period in 2025.

The Group has become a supplier of domestically produced power semiconductor components to a leading domestic enterprise in the commercial vehicle electric drive sector, and has gained recognition from downstream customers such as leading heavy-duty truck manufacturers.

(iii) Other transportation

The Group supplies power electronic components and devices to the other transportation sub-sector such as marine and aerospace of the PRC.

As the business of the Group in this sub-sector remains in the expansion phase, the related orders and revenue are subject to significant fluctuations. In the first half of 2026, the revenue of the Group from this sub-sector decreased by approximately 67% as compared with the same period in 2025.

(c) Industrial and others sector

The performance of the Group in the industrial and others sector is as follows:

	For the six months ended 30 June		
	2026	2025	
	Revenue	Revenue	Change
	(RMB'000)	*(RMB'000)*	
Industrial and others	**519,964**	355,673	46%
Industrial control	**234,751**	196,368	20%
New energy power generation and energy storage	**283,965**	156,382	82%
Scientific research institutes and others	**1,248**	2,923	-57%

The Group supplies products such as self-developed power semiconductors, laminated busbars, CCSs, power quality control devices, power capacitors, DC support capacitors and power semiconductor components distributed by the Group to manufacturers of industrial control equipment, energy storage equipment and new energy power generation equipment, as well as to scientific research institutes and to customers in other sub-sectors. In addition, the Group provides system solutions and engineering and construction services for the new energy power generation and energy storage sub-sector.

In the first half of 2026, due to the increase in orders in sectors such as metallurgy, the revenue of the Group from the industrial control sub-sector increased by approximately 20% as compared with the same period in 2025. In addition, due to the growth in the system solutions and engineering and construction services businesses, as well as an increase in orders for self-developed power semiconductors, laminated busbars and CCSs, the revenue of the Group from the new energy power generation and energy storage sub-sector increased by approximately 82% as compared with the same period in 2025. Consequently, the revenue of the Group from this sector increased by approximately 46% as compared with the same period in 2025.

3. Overseas market performance

Products sold in overseas markets by domestic and overseas subsidiaries of the Group include laminated busbars, solid-state AC/DC/pulse power switches and impedance measurement devices.

	For the six months ended 30 June		
	2026	2025	
	Revenue	Revenue	Change
	(RMB'000)	*(RMB'000)*	
Overseas markets	**59,537**	42,352	41%
Products of domestic subsidiaries	**11,596**	4,916	136%
Products of overseas subsidiaries	**47,941**	37,436	28%

In the first half of 2026, due to the growth in orders for power quality control devices of domestic subsidiaries and solid-state switches of overseas subsidiaries in overseas markets, the revenue of the Group from these markets increased by approximately 41% as compared with the same period in 2025.

4. R&D

(a) Self-developed power semiconductors

In the first half of 2026, the Group launched 1,050V chips and 2,300V IGBT sample chips featuring the seventh-generation micro-trench technology, and 2,300V SiC MOSFET samples.

In the first half of 2026, the IGBT modules of the Group began transitioning to chips featuring the seventh-generation micro-trench technology. Meanwhile, the Group developed brand new type-based products including XP type and EASY type as well as new ED type products equipped with SiC chips. The Group also developed IGBT+SiC hybrid FP type modules, which integrate the dual advantages of high current density in silicon-based IGBTs and low switching losses in SiC.

(b) Solid-state DC circuit breakers

In the first half of 2026, the solid-state DC circuit breakers of the Group obtained the certification from the Registro Italiano Navale. Meanwhile, the Group successfully developed an 800V/7500A solid-state DC circuit breaker engineering prototype, serving as a key protective device for 800V DC power supply systems in the AI data centres.

Modern data centres are gradually transitioning to DC power supply architectures to enhance energy efficiency and scalability, and to better integrate renewable energy with battery energy storage systems. The solid-state DC circuit breakers of the Group are specifically designed for these advanced power systems and offer numerous advantages, including ultra-fast breaking capability, high reliability, maintenance-free operation and modular integration.

FINANCIAL REVIEW

Revenue

The revenue of the Group increased by approximately 42.9% from approximately RMB888.3 million for the six months ended 30 June 2025 to approximately RMB1,269.4 million for the six months ended 30 June 2026, primarily due to the concentrated delivery of products for orders for the Gansu-Zhejiang Flexible DC Transmission Project by the Group and the increase in revenue from the new energy power generation and energy storage sub-sector.

Cost of sales

The cost of sales of the Group increased by approximately 50.3% from approximately RMB659.1 million for the six months ended 30 June 2025 to approximately RMB990.5 million for the six months ended 30 June 2026, primarily due to the increase in revenue.

Gross profit and gross profit margin

The gross profit of the Group increased by approximately 21.6% from approximately RMB229.3 million for the six months ended 30 June 2025 to approximately RMB278.9 million for the six months ended 30 June 2026, primarily due to the increase in revenue.

The gross profit margin of the Group decreased from approximately 25.8% for the six months ended 30 June 2025 to approximately 22.0% for the six months ended 30 June 2026, primarily due to the decrease in proportion of high gross profit margin products.

Other income and gains

The other income and gains of the Group decreased significantly by approximately 80.6% from approximately RMB130.7 million for the six months ended 30 June 2025 to approximately RMB25.4 million for the six months ended 30 June 2026, primarily due to (a) the depreciation of the Swiss franc, resulting in (i) net fair value losses on foreign currency forward contracts *(Note)* for the six months ended 30 June 2026 as compared with net fair value gains on foreign currency forward contracts for the six months ended 30 June 2025, and (ii) a decrease in foreign exchange gains; and (b) the expiration of government grants for the self-developed power semiconductor projects of the Group, resulting in a decrease in government grants.

Note: The Group entered into foreign currency forward contracts with the aim of mitigating foreign exchange risks associated with purchases denominated in foreign currencies. There were a net fair value losses on foreign currency forward contracts for the six months ended 30 June 2026, but the purchase costs covered by such contracts have decreased.

Selling and distribution costs

The selling and distribution costs of the Group increased by approximately 9.7% from approximately RMB60.9 million for the six months ended 30 June 2025 to approximately RMB66.8 million for the six months ended 30 June 2026, primarily due to the increase in labour costs and marketing expenses driven by market expansion.

Administrative expenses

The administrative expenses of the Group increased by approximately 9.5% from approximately RMB106.1 million for the six months ended 30 June 2025 to approximately RMB116.2 million for the six months ended 30 June 2026, primarily due to the increase in labour costs and office expenses driven by business development.

R&D costs

The R&D costs of the Group increased by approximately 35.5% from approximately RMB67.9 million for the six months ended 30 June 2025 to approximately RMB92.0 million for the six months ended 30 June 2026, primarily due to the increase in R&D investment in DC support capacitor and intelligent power grid online monitoring system technologies.

Other expenses and losses

The other expenses and losses of the Group increased significantly by approximately 1,557.1% from approximately RMB 3.5 million for the six months ended 30 June 2025 to approximately RMB58.0 million for the six months ended 30 June 2026, primarily due to (a) the net fair value losses on foreign currency forward contracts for the six months ended 30 June 2026 as compared with the net fair value gains on foreign currency forward contracts for the six months ended 30 June 2025; and (b) a decrease in exchange gains, both resulting from the depreciation of Swiss franc, where such gains were recorded in "other income and gains" for the same period in 2025.

Finance costs

The finance costs of the Group remained stable at approximately RMB8.8 million for the six months ended 30 June 2025 and the six months ended 30 June 2026.

Profit/(Loss) before tax

The Group recorded loss before tax of approximately RMB37.4 million for the six months ended 30 June 2026, as compared with profit before tax of approximately RMB112.8 million for the six months ended 30 June 2025, primarily due to (a) the decrease in other income and gains; (b) the increase in other expenses and losses; and (c) the continued increase in R&D investment in new products, resulting in an increase in R&D costs of approximately RMB24.1 million as compared with the six months ended 30 June 2025, as mentioned above.

Income tax expense

The income tax expense of the Group decreased by approximately 58.2% from approximately RMB27.3 million for the six months ended 30 June 2025 to approximately RMB11.4 million for the six months ended 30 June 2026, primarily due to the decrease in profit before tax.

Profit/(Loss) and total comprehensive income/(loss) attributable to owners of the parent

For the same reasons as set out in the paragraph headed "Profit/(Loss) before tax" above, the Group recorded loss attributable to owners of the parent of approximately RMB26.7 million for the six months ended 30 June 2026, as compared with profit attributable to owners of the parent of approximately RMB93.8 million for the six months ended 30 June 2025; and the Group recorded total comprehensive loss attributable to owners of the parent of approximately RMB24.1 million for the six months ended 30 June 2026, as compared with total comprehensive income attributable to owners of the parent of approximately RMB82.5 million for the six months ended 30 June 2025.

The net profit/(loss) margin of the Group, which is calculated as profit/(loss) attributable to owners of the parent for the period divided by revenue, changed from net profit margin of approximately 10.6% for the six months ended 30 June 2025 to net loss margin of approximately 2.1% for the six months ended 30 June 2026.

Inventories

The inventories of the Group increased by approximately 29.5% from approximately RMB286.5 million as at 31 December 2025 to approximately RMB371.0 million as at 30 June 2026, primarily due to the preparation for supply of products for major projects.

The average inventories turnover days of the Group decreased from approximately 82 days for the year ended 31 December 2025 to approximately 64 days for the six months ended 30 June 2026.

Trade and bills receivables

The trade and bills receivables of the Group increased by approximately 24.9% from approximately RMB1,241.4 million as at 31 December 2025 to approximately RMB1,550.4 million as at 30 June 2026, primarily due to the increase in revenue.

The average trade and bills receivables turnover days of the Group decreased from approximately 192 days for the year ended 31 December 2025 to approximately 184 days for the six months ended 30 June 2026.

Trade and bills payables

The trade and bills payables of the Group increased by approximately 24.5% from approximately RMB 535.9 million as at 31 December 2025 to approximately RMB667.0 million as at 30 June 2026, primarily due to the increase in procurement volume.

The average trade and bills payables turnover days of the Group increased from approximately 103 days for the year ended 31 December 2025 to approximately 109 days for the six months ended 30 June 2026.

Liquidity and financial resources

The principal sources of working capital of the Group include cash flow generated from sale of its products and bank borrowings.

The current ratio of the Group, which is calculated as current assets divided by current liabilities, decreased from approximately 2.0 as at 31 December 2025 to 1.7 as at 30 June 2026, primarily due to the increase in balance of bank loans and accounts payable at the end of the period.

As at 30 June 2026, the cash and cash equivalents of the Group were mainly denominated in Renminbi and Swiss francs. The cash and cash equivalents of the Group decreased by approximately 19.3% from approximately RMB327.4 million as at 31 December 2025 to approximately RMB264.2 million as at 30 June 2026, primarily due to the expenditure for construction of factories and purchase of equipment.

As at 30 June 2026, the interest-bearing bank and other borrowings of the Group were denominated in Renminbi. The interest-bearing bank and other borrowings of the Group increased by approximately 46.0% from approximately RMB337.4 million as at 31 December 2025 to approximately RMB492.7 million as at 30 June 2026, primarily due to the increase in demand for funds for construction of factories and purchase of equipment.

The gearing ratio of the Group, which is calculated as total interest-bearing bank and other borrowings divided by total equity, increased from approximately 14.9% as at 31 December 2025 to approximately 22.2% as at 30 June 2026.

The Group continues to implement prudent financial management policies and monitor its capital structure based on the ratio of total liabilities to total assets.

Foreign currency exposure

As most of the principal subsidiaries of the Company operate in the PRC, their functional currency is Renminbi. The Group has transactional currency exposure. These exposures arise from purchases by operating units in currencies other than the units' functional currencies. In order to minimise the impact of foreign exchange exposure, the Group has entered into forward currency contracts with creditworthy banks to hedge against its exchange rate exposure.

Contingent liabilities

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

Pledge of assets of the Group

As at 30 June 2026, certain of the bills payables of the Group were secured by the bills receivable amounting to approximately RMB77.9 million (31 December 2025: approximately RMB44.6 million).

As at 30 June 2026, bank loans of the Group in the amount of RMB 34.6 million were secured by certain of the land use rights and building, plant and machinery with net carrying amounts as at 30 June 2026 of approximately RMB15.4 million and RMB319.4 million (31 December 2025: approximately RMB15.6 million and RMB330.8 million), respectively.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures, and future plans for material investments or capital assets

Save as disclosed in this interim report and the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026, (a) there were no significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026; and (b) there were no plans authorised by the Board for material investments or capital assets as at the date of the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026.

Events after reporting period

There were no important events affecting the Group which have occurred since 30 June 2026 and up to the date of this interim report.

HUMAN RESOURCES

As at 30 June 2026, the Group employed 1,217 employees. Key components of the remuneration packages of the Group included basic salary, medical insurance, discretionary cash bonus and retirement benefit scheme. The employees are also entitled to participate in the share option scheme of the Company conditionally adopted on 21 May 2020 and which became effective on 3 June 2020 (the "**2020 Share Option Scheme**"). The Group conducts periodic reviews on the performance of its employees, and their salaries and bonuses are performance-based. The Group focuses on the establishment of an in-house management training and development system to meet the different needs of employees at all levels and enhance their skills through diversified training modes. The Group did not experience any significant problems with its employees or disruptions to its operations due to labour disputes, nor did it experience any difficulty in the recruitment and retention of experienced employees. The Group maintains a good relationship with its employees.

PROSPECTS

Looking forward to the second half of 2026, the Group expects that the demand from downstream sectors remains on a positive trajectory and the overall operating atmosphere remains positive and optimistic. Having established itself in the core priorities of power safety and energy efficiency, the Group will continue to deepen its expertise in core power electronics components and cutting-edge technologies to comprehensively consolidate its growth momentum in multiple sectors.

In the second half of 2026, products for orders for the West Inner Mongolia — Beijing-Tianjin-Hebei UHV Project, the remaining portion of the Belo Monte Phase III UHV Project in Brazil, several offshore wind power transmission projects, grid-forming technology-related projects and DC back-to-back projects are expected to be delivered in succession, thereby laying the foundation for the performance by the power transmission and distribution business of the Group in the second half of the year; due to the increase in orders for products related to electric locomotives and high-speed trains, the steady increase in orders for self-developed power semiconductors of the Group in the electric vehicles sub-sector and the commencement of delivery of several products related to electric vessels in the second half of the year, the Group expects that the electrified transportation business will present an upward trend; due to the ample orders for the new energy power generation and energy storage sub-sector and the stable growth in demand for products related to industrial control, the industrial and others business of the Group is also expected to achieve strong results. Furthermore, the Group regards the business of the AI data centre sector as key to its future development and will continue to expand the business of power electronic components, such as self-developed SiC devices, busbars and DC support capacitors, as well as products such as solid-state DC switches in this sector in domestic and overseas markets, so as to actively seize the initiative in the development of AI data centre power supply systems.

In the second half of 2026, the Group will continue to strengthen R&D, innovation, production capacity protection and market expansion; drive steady improvements in operating performance across all business segments; and strive to achieve full-year operational targets for 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

As at 30 June 2026, the total number of shares (the "**Shares**", each a "**Share**") in issue in the Company was 1,612,468,000 with nominal value of HK$0.1 each, among which 10,636,000 were treasury Shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**")). The Company may sell, transfer or otherwise dispose of the treasury Shares in the light of market conditions and its capital management needs and subject to the compliance with the Listing Rules. The Company will not exercise any shareholders' right or receive any entitlement in respect of the aforesaid treasury Shares.

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the treasury Shares).

CORPORATE GOVERNANCE

The Company places high value on its corporate governance practice and the Board firmly believes that a good corporate governance practice can improve accountability and transparency for the benefit of the Shareholders. The Company has adopted the Corporate Governance Code (the "**Corporate Governance Code**") as set out in Appendix C1 to the Listing Rules as its own code to govern its corporate governance practice. The Board also reviews and monitors the practice of the Company from time to time with the aim of maintaining and improving the standard of corporate governance practice. The Company has met the applicable code provisions set out in Part 2 of the Corporate Governance Code during the six months ended 30 June 2026.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. The Company confirms that, having made specific enquiry of all the Directors, the Directors complied with the required standards as set out in the Model Code during the six months ended 30 June 2026.

REVIEW OF FINANCIAL STATEMENTS BY AUDIT COMMITTEE

The audit committee of the Board has reviewed with the management accounting principles and practices adopted by the Group and discussed the auditing, risk management, internal control and financial reporting matters, including review of the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2026 and this interim report.

DIVIDEND

The Board has resolved to pay an interim dividend of HK$0.01 per Share for the six months ended 30 June 2026 (same period in 2025: HK$0.01) out of the share premium account of the Company. The interim dividend is expected to be paid on or around Friday, 23 October 2026 to the Shareholders whose names appear on the register of members of the Company on Thursday, 8 October 2026. Assuming no further Share will be issued or repurchased from the date of this interim report to the expected dividend payment date, a total amount of HK$16,018,320 (same period in 2025: HK$15,933,980) will be absorbed.

CHANGES IN INFORMATION ON DIRECTORS AND CHIEF EXECUTIVES

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules since the date of the annual report of the Company are as follows:

(a) Mr. Chen Shimin, who is an independent non-executive Director, has been serving as an independent director of Yihai Kerry Arawana Holdings Co., Ltd., which is a company listed on the Shenzhen Stock Exchange (stock code: 300999), since December 2025; and as an independent director of ASR Microelectronics Co., Ltd., which is a company listed on the Shanghai Stock Exchange (stock code: 688220), since April 2026;

(b) Mr. Zhang Xuejun, who is an independent non-executive Director, has been serving as an independent non-executive director of Central China Management Company Limited, which is a company listed on the Stock Exchange (stock code: 9982), since June 2026; and

(c) Mr. Leung Ming Shu, who is an independent non-executive Director, ceased to be a non-executive director of GOGOX HOLDINGS LIMITED, which is a company listed on the Stock Exchange (stock code: 2246), from April 2026.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of the Directors and the chief executives of the Company in the Shares, the underlying Shares and the debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")), as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(a) Long positions in the Shares, the underlying Shares and the debentures of the Company

Name of Director	Capacity	Number of ordinary Shares held	Number of ordinary Shares issuable under equity derivatives *(Note 4)*	Total	Approximate percentage of interests in the Company *(Note 6)*
Mr. Xiang Jie	Beneficial owner	51,666,000	20,000,000	71,666,000	
	Founder of a discretionary trust	338,328,347 *(Note 1)*	–	338,328,347	
				409,994,347	25.43%
Mr. Gong Renyuan	Beneficial owner	15,060,000	10,000,000	25,060,000	
	Interest of spouse	4,300,000 *(Note 2)*	4,000,000 *(Note 5)*	8,300,000	
				33,360,000	2.07%
Mr. Yue Zhoumin	Beneficial owner	2,000,000	5,000,000	7,000,000	
	Interest of spouse	700,000 *(Note 3)*		700,000	
				7,700,000	0.48%

Notes:

1. As at 30 June 2026, (a) these 338,328,347 Shares were held by Max Vision Holdings Limited; (b) Max Vision Holdings Limited was wholly owned by Jiekun Limited; (c) Jiekun Limited was wholly owned by Sapphire Skye Holdings Limited; (d) Sapphire Skye Holdings Limited was wholly owned by Zedra Trust Company (Singapore) Limited; and (e) Zedra Trust Company (Singapore) Limited was the trustee of a private trust of which Mr. Xiang Jie was the founder and his family members were the beneficiaries. Accordingly, Jiekun Limited, Sapphire Skye Holdings Limited, Zedra Trust Company (Singapore) Limited, Mr. Xiang Jie and Ms. Meng Fankun were deemed under the SFO to be interested in the 338,328,347 Shares held by Max Vision Holdings Limited.

2. As at 30 June 2026, these 4,300,000 Shares were held by Ms. Ren Jie, who is the spouse of Mr. Gong Renyuan. Accordingly, Mr. Gong Renyuan was deemed under the SFO to be interested in the 4,300,000 Shares held by Ms. Ren Jie.

3. As at 30 June 2026, these 700,000 Shares were held by Ms. Pan Yu, who is the spouse of Mr. Yue Zhoumin. Accordingly, Mr. Yue Zhoumin was deemed under the SFO to be interested in the 700,000 Shares held by Ms. Pan Yu.

4. These Shares represented the Shares which may be issued upon the exercise of the share options granted to the relevant Directors and their respective associates (as defined under the Listing Rules) under the 2020 Share Option Scheme, details of which are set out under the section headed “Share Option Schemes” of this interim report.

5. As at 30 June 2026, these 4,000,000 Shares represented the Shares which may be issued upon the exercise of the share options granted to Ms. Ren Jie, who is the spouse of Mr. Gong Renyuan. Accordingly, Mr. Gong Renyuan was deemed under the SFO to be interested in the 4,000,000 Shares which may be issued upon the exercise of the share options granted to Ms. Ren Jie.

6. As at 30 June 2026, there were 1,612,468,000 Shares in issue, among which 10,636,000 were treasury Shares (as defined under the Listing Rules).

(b) Short positions in the Shares, the underlying Shares and the debentures of the Company

None of the Directors or the chief executives of the Company had any short position in the Shares, the underlying Shares and the debentures of the Company or any associated corporation as at 30 June 2026.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the interests or short positions of the persons, other than a Director or a chief executive of the Company, in the Shares and the underlying Shares as recorded in the register required to be kept under section 336 of the SFO, were as follows:

(a) Long positions in the Shares and the underlying Shares

Name of substantial Shareholder	Capacity	Number of ordinary Shares held	Number of ordinary Shares issuable under equity derivatives (Note 3)	Total	Approximate percentage of interests in the Company (Note 5)
Max Vision Holdings Limited	Beneficial owner	338,328,347 (Note 1)	–	338,328,347	20.98%
Jiekun Limited	Interest in controlled corporation	338,328,347 (Note 1)	–	338,328,347	20.98%
Sapphire Skye Holdings Limited	Interest in controlled corporation	338,328,347 (Note 1)	–	338,328,347	20.98%
Zedra Trust Company (Singapore) Limited	Interest in controlled corporation	338,328,347 (Note 1)	–	338,328,347	20.98%
Ms. Meng Fankun	Interest of spouse	51,666,000 (Note 2)	20,000,000 (Note 4)	71,666,000	
	Beneficiary of a trust	338,328,347 (Note 1)	–	338,328,347	
				409,994,347	25.43%

Notes:

1. As at 30 June 2026, (a) these 338,328,347 Shares were held by Max Vision Holdings Limited; (b) Max Vision Holdings Limited was wholly owned by Jiekun Limited; (c) Jiekun Limited was wholly owned by Sapphire Skye Holdings Limited; (d) Sapphire Skye Holdings Limited was wholly owned by Zedra Trust Company (Singapore) Limited; and (e) Zedra Trust Company (Singapore) Limited was the trustee of a private trust of which Mr. Xiang Jie was the founder and his family members were the beneficiaries. Accordingly, Jiekun Limited, Sapphire Skye Holdings Limited, Zedra Trust Company (Singapore) Limited, Mr. Xiang Jie and Ms. Meng Fankun were deemed under the SFO to be interested in the 338,328,347 Shares held by Max Vision Holdings Limited.

2. As at 30 June 2026, these 51,666,000 Shares were held by Mr. Xiang Jie, who is the spouse of Ms. Meng Fankun. Accordingly, Ms. Meng Fankun was deemed under the SFO to be interested in the 51,666,000 Shares held by Mr. Xiang Jie.

3. These Shares represented the Shares which may be issued upon the exercise of the share options granted to the relevant Directors and their respective associates (as defined under the Listing Rules) under the 2020 Share Option Scheme, details of which are set out under the section headed "Share Option Schemes" of this interim report.

4. As at 30 June 2026, these 20,000,000 Shares represented the Shares which may be issued upon the exercise of the share options granted to Mr. Xiang Jie, who is the spouse of Ms. Meng Fankun. Accordingly, Ms. Meng Fankun was deemed under the SFO to be interested in the 20,000,000 Shares which may be issued upon the exercise of the share options granted to Mr. Xiang Jie.

5. As at 30 June 2026, there were 1,612,468,000 Shares in issue, among which 10,636,000 were treasury Shares (as defined under the Listing Rules).

(b) Short positions in the Shares and the underlying Shares

Save as disclosed above, as at 30 June 2026, the Company had not been notified of any short position in the Shares or the underlying Shares which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEMES

Prior to the listing of the Shares on the Stock Exchange (the "**Listing**"), the Company conditionally adopted a share option scheme (the "**2010 Share Option Scheme**") on 23 September 2010 which became effective and unconditional upon the Listing. The purpose of the 2010 Share Option Scheme is to enable the Group to grant share options to the Eligible Participant(s) (as defined under the section headed "Share Option Scheme" of the prospectus of the Company dated 30 September 2010) as incentives or rewards for their contribution to the Group.

The 2010 Share Option Scheme was terminated on 3 June 2020. Prior to the termination, the Board might, at its absolute discretion, offer to grant share options to the Eligible Participants to subscribe for the Shares at an exercise price and subject to the terms of the 2010 Share Option Scheme. The number of Shares which may be issued upon the exercise of all share options to be granted under the 2010 Share Option Scheme shall not exceed 136,604,000, representing 10% of the total number of Shares in issue upon the Listing.

Where any further grant of share options to an Eligible Participant under the 2010 Share Option Scheme would result in the Shares issued and to be issued upon the exercise of all share options granted and be granted to such Eligible Participant (including exercised, cancelled and outstanding share options) under the 2010 Share Option Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting. Under the 2010 Share Option Scheme, each share option has a 10-year exercise period unless otherwise determined by the Board. There is no minimum period for which a share option must be held before it can be exercised unless otherwise determined by the Board and specified in the offer. HK$1 shall be payable on acceptance of the share options within such time as may be specified in the offer, which shall not be later than 21 days from the date on which the share options are offered to be granted.

The exercise price shall be at the discretion of the Directors, provided that it shall not be less than the highest of:

(a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which the share options are offered to be granted;

(b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which the share options are offered to be granted; and

(c) the nominal value of a Share.

OTHER INFORMATION

Details of (a) movements in the share options granted under the 2010 Share Option Scheme during the six months ended 30 June 2026; and (b) outstanding share options as at the beginning and the end of the period are set out below:

Grantees	Date of offer	Number of share options: outstanding as at 1 January 2026	granted during the period	exercised during the period	cancelled during the period	lapsed during the period	outstanding as at 30 June 2026	Vesting period	Exercise period	Exercise price per Share *(HK$)*	Weighted average closing price per Share immediately before the date of exercise *(HK$)*
Employees (other than the Director(s) and the chief executive of the Company)	1 April 2020	2,786,000	–	(2,220,000)	–	(566,000)	–	25% – One year from the date of offer 25% – Two years from the date of offer 25% – Three years from the date of offer 25% – Four years from the date of offer	From the respective vesting dates to 31 March 2026	1.10	1.78
Total		**2,786,000**	**-**	**(2,220,000)**	**-**	**(566,000)**	**-**				

Following the termination of the 2010 Share Option Scheme on 3 June 2020, no further share options could be offered to be granted but in all other respects, the provisions of the 2010 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any share option granted prior to the termination. As the exercise period expired on 31 March 2026, any outstanding share option granted under the 2010 Share Option Scheme cannot be exercised after that date.

The Company conditionally adopted the 2020 Share Option Scheme and conditionally terminated the 2010 Share Option Scheme pursuant to the Shareholders' approval obtained in the general meeting of the Company held on 21 May 2020. The 2020 Share Option Scheme and the termination of the 2010 Share Option Scheme became effective on 3 June 2020. The purpose of the 2020 Share Option Scheme is to enable the Company to grant share options to the following participants (the "**Eligible Participants**", each an "**Eligible Participant**") as incentives or rewards for their contribution to the Group:

(a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any subsidiary or any entity in which any member of the Group holds any equity interest (the "**Invested Entity**");

(b) any non-executive directors (including independent non-executive directors) of the Company, any subsidiary or any Invested Entity;

(c) any supplier of goods to any member of the Group or any Invested Entity;

(d) any customer of any member of the Group or any Invested Entity;

(e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;

(f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; and

(g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity,

and, for the purposes of the 2020 Share Option Scheme, the offer may be made to any company wholly-owned by one or more Eligible Participants.

Despite the above definition of Eligible Participants, the Company does not intend to grant share option to any Eligible Participant that does not come under the definition of "eligible participant" in Chapter 17 of the Listing Rules.

The Board may, at its absolute discretion, offer to grant share options to the Eligible Participants to subscribe for the Shares at an exercise price and subject to the terms of the 2020 Share Option Scheme. The total number of Shares which may be issued upon the exercise of all share options to be granted under the 2020 Share Option Scheme shall not exceed 163,083,100, representing 10% of the total number of Shares in issue as at the date of approval of the 2020 Share Option Scheme.

Where any further grant of share options to an Eligible Participant under the 2020 Share Option Scheme would result in the Shares issued and to be issued upon the exercise of all share options granted and be granted to such Eligible Participant (including exercised, cancelled and outstanding share options) under the 2020 Share Option Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue (excluding any treasury Share), such further grant must be separately approved by the Shareholders in general meeting. The 2020 Share Option Scheme will remain in force for a period of 10 years from 3 June 2020. Under the 2020 Share Option Scheme, each share option has a 10-year exercise period unless otherwise determined by the Board. The minimum period for which a share option must be held before it can be exercised shall not be less than 12 months. HK$1 shall be payable on acceptance of the share options within such time as may be specified in the offer, which shall not be later than 21 days from the date on which the share options are offered to be granted.

The exercise price shall be at the discretion of the Directors, provided that it shall not be less than the highest of:

(a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which the share options are offered to be granted;

(b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which the share options are offered to be granted; and

(c) the nominal value of a Share.

Details of (a) movements in the share options granted under the 2020 Share Option Scheme during the six months ended 30 June 2026; and (b) outstanding share options as at the beginning and the end of the period are set out below:

		Number of share options									
Grantees	Date of offer	outstanding as at 1 January 2026	granted during the period	exercised during the period	cancelled during the period	lapsed during the period	outstanding as at 30 June 2026	Vesting period	Exercise period	Exercise price per Share *(HK$)*	Weighted average closing price per Share immediately before the date of exercise *(HK$)*
Director(s), chief executive(s) and substantial shareholder(s) (as defined under the Listing Rules) of the Company, and their respective associate(s) (as defined under the Listing Rules) (the "Category A Grantees")											
Mr. Xiang Jie *(chairman of the Board, executive Director and substantial Shareholder (as defined under the Listing Rules))*	18 July 2025	20,000,000	-	-	-	-	20,000,000	25% – One year from the date of offer 25% – Two years from the date of offer 25% – Three years from the date of offer 25% – Four years from the date of offer	From the respective vesting dates to 17 July 2031	1.40	Not applicable
Mr. Gong Renyuan *(chief executive officer and executive Director)*	23 December 2024	10,000,000	-	-	-	-	10,000,000	25% – One year from the date of offer 25% – Two years from the date of offer 25% – Three years from the date of offer 25% – Four years from the date of offer	From the respective vesting dates to 22 December 2030	1.30	Not applicable
Mr. Yue Zhoumin *(executive Director)*	23 December 2024	5,000,000	-	-	-	-	5,000,000	25% – One year from the date of offer 25% – Two years from the date of offer 25% – Three years from the date of offer 25% – Four years from the date of offer	From the respective vesting dates to 22 December 2030	1.30	Not applicable
Ms. Ren Jie *(the spouse of Mr. Gong Renyuan)*	23 December 2024	4,000,000	-	-	-	-	4,000,000	25% – One year from the date of offer 25% – Two years from the date of offer 25% – Three years from the date of offer 25% – Four years from the date of offer	From the respective vesting dates to 22 December 2030	1.30	Not applicable
		39,000,000	-	-	-	-	39,000,000				
Other employees (the "Category B Grantees")	23 December 2024	30,700,000	-	(4,100,000)	-	-	26,600,000	25% – One year from the date of offer 25% – Two years from the date of offer 25% – Three years from the date of offer 25% – Four years from the date of offer	From the respective vesting dates to 22 December 2030	1.30	2.27
Total		**69,700,000**	**-**	**(4,100,000)**	**-**	**-**	**65,600,000**				

For both of the Category A Grantees and the Category B Grantees, as at 1 January 2026, the total number of share options granted under the 2020 Share Option Scheme was 69,700,000 and the number of share options available for future grant under the 2020 Share Option Scheme was 93,383,100. Since no share option was granted under, nor lapsed in accordance with the terms of, the 2020 Share Option Scheme during the six months ended 30 June 2026, as at 30 June 2026, the number of share options available for future grant under the 2020 Share Option Scheme remained the same.

Given that 4,100,000 share options granted under the 2020 Share Option Scheme were exercised up to the date of this interim report, the total number of Shares available for issue upon the exercise of the outstanding share options granted under the 2020 Share Option Scheme was 65,600,000, representing approximately 4.1% of the number of issued Shares (excluding any treasury Share) as at the date of this interim report.

INDEPENDENT REVIEW REPORT

To the board of directors of Sun.King Technology Group Limited
(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 19 to 34, which comprises the condensed consolidated statement of financial position of Sun.King Technology Group Limited (the "**Company**") and its subsidiaries as at 30 June 2026 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("**IAS 34**") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in compliance with IAS 34.

Ernst & Young
Certified Public Accountants

27/F., One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

24 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	**2026 RMB' 000 (Unaudited)**	2025 RMB' 000 (Unaudited)
REVENUE	*5*	**1,269,368**	888,320
Cost of sales		**(990,470)**	(659,066)
Gross profit		**278,898**	229,254
Other income and gains	*5*	**25,432**	130,747
Selling and distribution costs		**(66,771)**	(60,862)
Administrative expenses		**(116,163)**	(106,074)
Research and development costs		**(91,998)**	(67,923)
Other expenses and losses		**(57,950)**	(3,486)
Finance costs	*7*	**(8,802)**	(8,835)
Share of losses of associates		**(14)**	(13)
PROFIT/(LOSS)BEFORE TAX	*6*	**(37,368)**	112,808
Income tax expense	*8*	**(11,393)**	(27,338)
PROFIT/(LOSS) FOR THE PERIOD		**(48,761)**	85,470
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods			
Fair value losses on financial investments at fair value through other comprehensive income		**(3,590)**	(3,643)
Exchange differences on translation of foreign operations		**7,431**	(11,048)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX		**3,841**	(14,691)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**(44,920)**	70,779
Profit/(loss) attributable to:			
Owners of the parent		**(26,742)**	93,773
Non-controlling interests		**(22,019)**	(8,303)
		(48,761)	85,470
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**(24,083)**	82,452
Non-controlling interests		**(20,837)**	(11,673)
		(44,920)	70,779
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*10*		
Basic		**RMB(1.66) cents**	RMB 5.85 cents
Diluted		**RMB(1.66) cents**	RMB 5.85 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*11*	**786,108**	759,911
Investment properties		**15,558**	15,558
Right-of-use assets		**54,803**	49,801
Deposits for purchase of property, plant and equipment		**26,189**	11,818
Goodwill		**182,734**	182,734
Other intangible assets		**66,293**	66,286
Investments in associates		**2,386**	2,400
Equity investment designated at fair value through other comprehensive income		**3,200**	6,790
Contract assets		**87,656**	64,610
Time deposits		**–**	84,046
Deferred tax assets		**15,652**	5,428
Total non-current assets		**1,240,579**	1,249,382
CURRENT ASSETS			
Inventories		**370,994**	286,546
Trade and bills receivables	*12*	**1,550,359**	1,241,446
Contract assets		**12,636**	11,957
Prepayments, other receivables and other assets		**157,266**	189,425
Derivative financial instruments		**–**	18,329
Pledged deposits		**3,636**	69,417
Time deposits		**85,077**	–
Cash and cash equivalents		**264,168**	327,424
Total current assets		**2,444,136**	2,144,544
CURRENT LIABILITIES			
Trade and bills payables	*13*	**667,026**	535,874
Contract liabilities		**137,003**	135,841
Other payables and accruals		**43,401**	35,617
Lease liabilities		**5,357**	2,989
Derivative financial instruments		**40,565**	–
Interest-bearing bank and other borrowings		**486,123**	315,155
Tax payable		**21,172**	24,438
Total current liabilities		**1,400,647**	1,049,914
NET CURRENT ASSETS		**1,043,489**	1,094,630
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,284,068**	2,344,012

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Note	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**6,645**	22,220
Lease liabilities		**6,146**	2,111
Deferred income		**46,302**	49,372
Deferred tax liabilities		**865**	1,090
Total non-current liabilities		**59,958**	74,793
Net assets		**2,224,110**	2,269,219
EQUITY			
Equity attributable to owners of the parent			
Issued capital	*14*	**138,120**	137,562
Treasury shares		**(10,050)**	(10,050)
Reserves		**1,988,652**	2,012,372
		2,116,722	2,139,884
Non-controlling interests		**107,388**	129,335
Total equity		**2,224,110**	2,269,219

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent											
	Issued capital RMB'000	Treasury shares RMB'000	Share premium account RMB'000	Employee share-based compensation reserve RMB'000 *(note a)*	Capital redemption reserve RMB'000	Deemed contribution reserve RMB'000	Other reserve RMB'000 *(note b)*	Retained profits RMB'000	Exchange fluctuation reserve RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025	137,351	(8,641)	371,993	2,596	6,985	14,765	429,454	971,486	(1,613)	1,924,376	71,580	1,995,956
Profit for the period	-	-	-	-	-	-	-	93,773	-	93,773	(8,303)	85,470
Fair value losses on investments at fair value through other comprehensive income	-	-	-	-	-	-	(2,730)	-	-	(2,730)	(913)	(3,643)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(8,591)	(8,591)	(2,457)	(11,048)
Total comprehensive income for the period	-	-	-	-	-	-	(2,730)	93,773	(8,591)	82,452	(11,673)	70,779
Capital injection from non-controlling shareholders	-	-	-	-	-	-	300	-	-	300	100	400
Shares repurchased	-	(1,409)	-	-	-	-	-	-	-	(1,409)	-	(1,409)
Final 2024 dividend declared	-	-	(14,530)	-	-	-	-	-	-	(14,530)	-	(14,530)
Share-based payments	-	-	-	6,794	-	-	-	-	-	6,794	-	6,794
Transfer from retained profits	-	-	-	-	-	-	25,704	(25,704)	-	-	-	-
At 30 June 2025	137,351	(10,050)	357,463	9,390	6,985	14,765	452,728	1,039,555	(10,204)	1,997,983	60,007	2,057,990
At 1 January 2026	**137,562**	**(10,050)**	**345,425***	**17,983***	**6,985***	**14,765***	**568,854***	**1,069,973***	**(11,613)***	**2,139,884**	**129,335**	**2,269,219**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(26,742)**	**-**	**(26,742)**	**(22,019)**	**(48,761)**
Fair value losses on investments at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**(2,435)**	**-**	**-**	**(2,435)**	**(1,155)**	**(3,590)**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,094**	**5,094**	**2,337**	**7,431**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(2,435)**	**(26,742)**	**5,094**	**(24,083)**	**(20,837)**	**(44,920)**
Capital injection from non-controlling shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,440**	**4,440**
Dividend paid to non-controlling shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(5,550)**	**(5,550)**
Exercise of share options	**558**	**-**	**9,162**	**(2,868)**	**-**	**-**	**-**	**-**	**-**	**6,852**	**-**	**6,852**
Final 2025 dividend declared	**-**	**-**	**(13,914)**	**-**	**-**	**-**	**-**	**-**	**-**	**(13,914)**	**-**	**(13,914)**
Share-based payments	**-**	**-**	**-**	**7,983**	**-**	**-**	**-**	**-**	**-**	**7,983**	**-**	**7,983**
Transfer from retained profits	**-**	**-**	**-**	**-**	**-**	**-**	**27,127**	**(27,127)**	**-**	**-**	**-**	**-**
At 30 June 2026	**138,120**	**(10,050)**	**340,673***	**23,098***	**6,985***	**14,765***	**593,546***	**1,016,104***	**(6,519)***	**2,116,722**	**107,388**	**2,224,110**

Notes:

(a) The deemed contribution reserve represents share-based payment expense incurred and recognised by the Group as settled by issue of shares of Sun.King Group Limited (賽晶集團有限公司) ("**Sunking BVI**"), a former shareholder of the Company.

(b) The other reserve mainly represents a certain waiver of loans and/or advances by Sun.King BVI to the Group in prior years, the reserve arose from acquisition of non-controlling interests and capital contribution from non-controlling shareholders, as well as statutory reserve of the subsidiaries established in the People's Republic of China (the "**PRC**").

* These reserve accounts comprise the consolidated reserves of RMB1,988,652 (31 December 2025: RMB2,012,372,000 (audited)) in the condensed consolidated statement of financial position.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Notes	**2026 RMB'000 (Unaudited)**	2025 RMB'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		**(37,368)**	112,808
Adjustments for:			
Finance costs	*7*	**8,802**	8,835
Share of losses of associates		**14**	13
Interest income	*5*	**(3,633)**	(3,871)
Fair value gains on financial investments at fair value through profit or loss	*5*	**(188)**	(341)
Loss on disposal of property, plant and equipment, net	*6*	**46**	52
Depreciation of property, plant and equipment	*6*	**29,669**	26,187
Depreciation of right-of-use assets	*6*	**3,566**	3,067
Amortisation of other intangible assets	*6*	**6,134**	7,019
Impairment of trade receivables and contract assets, net	*6*	**4,707**	3,118
Impairment/(reversal of impairment) of financial assets included in prepayments, other receivables and other assets, net	*6*	**707**	(264)
Fair value loss/(gain) on foreign currency forward contracts, net	*5,6*	**49,702**	(59,939)
Write-down/(reversal of write-down) of inventories to net realisable value, net	*6*	**315**	(919)
Amortisation of deferred income		**(2,670)**	(2,708)
Share-based payment expense		**7,983**	6,794
		67,786	99,851
Decrease/(increase) in inventories		**(84,763)**	36,938
Increase in trade and bills receivables and contract assets		**(335,537)**	(3,830)
Decrease in prepayments, other receivables and other assets		**31,452**	22,824
Decrease/(increase) in pledged deposits		**65,781**	(844)
Increase in trade and bills payables		**131,152**	17,292
Increase in derivative financial liabilities		**9,192**	–
Increase/(decrease) in other payables and accruals and contract liabilities		**4,231**	(26,068)
Effect of foreign exchange rate changes, net		**10,741**	(19,489)
Cash generated from/(used in) operations		**(99,965)**	126,674
Interest paid		**(4,561)**	(4,594)
Income taxes paid		**(25,052)**	(35,168)
Net cash flows from/(used in) operating activities		**(129,578)**	86,912

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Net cash flows from/(used in) operating activities	**(129,578)**	86,912
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	**794**	1,947
Purchase of property, plant and equipment	**(59,622)**	(25,410)
Additions to other intangible assets	**(6,704)**	(3,117)
Purchase of financial investments at fair value through profit or loss	**(65,400)**	(127,300)
Proceeds from disposal/maturity of financial investments at fair value through profit or loss	**65,588**	127,641
Proceeds from disposal of property, plant and equipment	**3,405**	460
Decrease/(increase) in deposits for purchase of property, plant and equipment	**(14,371)**	4,523
Net cash flows used in investing activities	**(76,310)**	(21,256)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of share options	**6,852**	–
Repurchase of shares	**–**	(1,409)
New bank loans	**233,570**	55,490
Repayment of bank loans	**(78,177)**	(69,525)
Capital injection from non-controlling interests	**4,440**	400
Dividend paid to non-controlling shareholders	**(5,550)**	–
Dividend paid to shareholders	**(13,914)**	(14,530)
Principal portion of lease payments	**(2,165)**	(2,413)
Net cash flows from/(used in) used in financing activities	**145,056**	(31,987)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(60,832)**	33,669
Cash and cash equivalents at beginning of period	**327,424**	415,487
Effect of foreign exchange rate changes, net	**(2,424)**	5,535
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**264,168**	454,691
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**264,168**	454,691

1. CORPORATE INFORMATION

Sun.King Technology Group Limited (the "**Company**") was incorporated as an exempted company with limited liability in the Cayman Islands on 19 March 2010. The ordinary shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited with effect from 13 October 2010. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

During the period, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally engaged in the trading and manufacturing of power electronic components.

The condensed consolidated interim financial information is presented in Renminbi ("**RMB**").

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

3. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

The nature and impact of the amended IFRS Accounting Standards are described below:

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other its equity investments at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to IFRS Accounting Standards* – Volume 11 set out narrow scope amendments to IFRS 1, IFRS 7 (and the accompanying *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding IFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group has one reportable operating segment which is principally engaged in the manufacturing and trading of power electronic components. All of the Group's operating results from the operations are generated from this single segment. Management monitors the results of Group's operation as a whole for the purpose of making decisions about resources allocation and performance assessment.

Geographical information

As the Group's major operations are in Chinese mainland, and over 95% (31 December 2025: over 95% (audited)) of the Group's revenue are attributable to customers located in Chinese mainland and non-current assets are located in Chinese mainland, no further geographical segment information is provided.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue from contracts with customers is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of power electronic components	**1,269,368**	888,320

The performance obligation of the sale of power electronic component is satisfied upon delivery of the products.

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Other income		
Government grants*	**19,726**	33,270
Bank interest income	**1,825**	2,978
Interest income arising from revenue contracts	**1,808**	893
Fair value gains on financial investments at fair value through profit or loss	**188**	341
Others	**249**	980
	23,796	38,462
Gains		
Gain on disposal of scrap and idle materials	**1,636**	1,004
Foreign exchange gains, net	**–**	31,342
Fair value gains on foreign currency forward contracts, net	**–**	59,939
	1,636	92,285
Total	**25,432**	130,747

* Various government grants have been received for investments in certain regions in Chinese mainland in which the Company's subsidiaries operate as well as for the Group's technology advancements. Government grants received for which related expenditure has not yet been undertaken are included in deferred income in the condensed consolidated statement of financial position. There are no unfulfilled conditions or contingencies relating to these government grants.

6. PROFIT/(LOSS) BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**990,155**	659,985
Write-down/(reversal of write-down) of inventories to net realisable value, net	**315**	(919)
Cost of sales	**990,470**	659,066
Depreciation of property, plant and equipment	**29,669**	26,187
Depreciation of right-of-use assets	**3,566**	3,067
Amortisation of deferred development costs	**4,321**	4,617
Amortisation of other intangible assets (excluding deferred development costs)	**1,813**	2,402
Impairment of trade receivables and contract assets, net	**4,707**	3,118
Impairment/(reversal of impairment) of financial assets included in prepayments, other receivables and other assets, net	**707**	(264)
Fair value losses on foreign currency forward contracts, net	**49,702**	–
Loss on disposal of property, plant and equipment, net	**46**	52
Foreign exchange losses, net	**2,788**	–

7. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank loans	**4,341**	4,471
Interest on other loans	**4,241**	4,241
Interest on lease liabilities	**220**	123
Total	**8,802**	8,835

8. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the six months ended 30 June 2026. No provision for Hong Kong profits tax has been made for the six months ended 30 June 2025 as the Group did not generate any assessable profits arising in Hong Kong during the period.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates. Under the PRC income tax laws, enterprises are subject to corporate income tax ("**CIT**") at a rate of 25% (six months ended 30 June 2025: 25%). Certain subsidiaries of the Group are qualified as high technology enterprises and hence are granted a preferential CIT rate of 15% (six months ended 30 June 2025: 15%). The Group's subsidiaries established in Switzerland, Germany and Netherlands are subject to local corporate taxes of approximately 18% (six months ended 30 June 2025: approximately 18% (unaudited)), 32% (six months ended 30 June 2025: approximately 32% (unaudited)) and 25.8% (six months ended 30 June 2025: approximately 25.8% (unaudited)), respectively.

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current – Hong Kong profits tax		
Charge for the period	**1,007**	–
Current – Chinese mainland profits tax		
Charge for the period	**18,871**	17,802
Overprovision in prior periods	**1,073**	(53)
Current – Europe profits tax		
Charge for the period	**835**	133
Subtotal	**21,786**	17,882
Deferred	**(10,393)**	9,456
Total tax charge for the period	**11,393**	27,338

9. DIVIDENDS

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Proposed interim - HK1 cent (six months ended 30 June 2025: HK1 cent (unaudited)) per ordinary share	**13,855**	14,531
Final declared and paid – HK1 cent (six months ended 30 June 2025: HK1 cent (unaudited)) per ordinary share	**13,914**	14,530

10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share (six months ended 30 June 2025: earning per share) amount is based on the loss for the period attributable to ordinary equity holders of the parent of RMB26,742,000 (six months ended 30 June 2025: profit of RMB93,773,000 (unaudited)), and the weighted average number of ordinary shares of 1,606,242,738 (six months ended 30 June 2025: 1,603,302,772 (unaudited)) outstanding during the period.

The calculation of the diluted earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the period, as used in the basic earnings/(loss) per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares

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

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**(26,742)**	93,773

	Number of shares For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings/(loss) per share calculation	**1,606,242,738**	1,603,302,772
Effect of dilution – weighted average number of ordinary shares:		
Share options	**16,893,067**	643,752
Total	**1,623,135,805**	1,603,946,524

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at an aggregate cost of RMB58,268,000 (six months ended 30 June 2025: RMB36,370,000 (unaudited)).

During the six months ended 30 June 2026, the Group disposed of assets with an aggregate net book value of RMB3,451,000 (six months ended 30 June 2025: RMB512,000 (unaudited)).

12. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	**1,347,321**	1,058,961
Impairment	**(26,881)**	(22,392)
Net carrying amount	**1,320,440**	1,036,569
Bills receivable	**229,919**	204,877
	1,550,359	1,241,446

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month, extending up to one year for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department 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 receivables and contract assets balances. Trade receivables are non-interest-bearing.

An ageing analysis of the Group's trade receivables as at the end of the reporting period, based on the customers' acknowledge of receipt or invoice date, where applicable, and net of loss allowance, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 3 months	**930,699**	656,013
4th to 6th months	**113,381**	179,582
7th to 12th months	**202,580**	123,895
Over 1 year	**73,780**	77,079
Total	**1,320,440**	1,036,569

At 30 June 2026, the Group's bills receivable would mature within six (31 December 2025: six (audited)) months.

13. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the good receipt or invoice date, where applicable, is as follows:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within six months	**531,034**	482,620
Over six months	**135,992**	53,254
Total	**667,026**	535,874

14. ISSUED CAPITAL

During the six months ended 30 June 2026, the subscription rights attaching to 2,220,000 and 4,100,000 share options were exercised at the subscription prices of HK$1.10 and HK$1.30 per share, respectively, resulting in the issue of an aggregate of 6,320,000 shares of HK$0.10 each for a total cash consideration, before expenses of HK$7,772,000 (equivalent to approximately RMB6,852,000). An amount of RMB2,868,000 was transferred from the employee share-based compensation reserve to the share premium account upon the exercise of the share options. During the six months ended 30 June 2025, no share options were exercised.

During the six months ended 30 June 2026, the Company did not repurchase or cancel any of the Company's shares. During the six months ended 30 June 2025, the Company repurchased a total of 1,296,000 of the Company's shares. The total consideration paid to repurchase these shares was RMB1,409,000, which has been deducted from equity attributable to owners of the parent.

15. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Buildings	**43,311**	36,770
Plant and equipment	**27,888**	29,732
Total	**71,199**	66,502

Commitments under foreign currency forward contracts:

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Purchase of Swiss franc	**708,912**	627,229
Purchase of Japanese Yen	**1,826**	7,061
Total	**710,738**	634,290

16. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short term employee benefits	**12,479**	18,462
Post-employment benefits	**533**	1,597
Share-based payment expense	**6,845**	5,440
Total compensation paid to key management personnel	**19,857**	25,499

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		**Fair values**	
	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)	**30 June 2026 RMB'000 (Unaudited)**	31 December 2025 RMB'000 (Audited)
Financial assets				
Bills receivable	**229,919**	170,292	**229,919**	170,292
Equity investment designated at fair value through other comprehensive income	**3,200**	6,790	**3,200**	6,790
Time deposits	**85,077**	84,046	**85,663**	85,012
Derivative financial instruments	**–**	18,329	**–**	18,329
Total	**318,196**	279,457	**318,782**	280,423
Financial liabilities				
Interest-bearing bank and other borrowings	**492,768**	337,375	**497,478**	340,306
Derivative financial instruments	**40,565**	–	**40,565**	–
Total	**533,333**	337,375	**538,043**	340,306

Management has assessed that the fair values of the Group's financial instruments, except for bills receivable, equity investment designated at fair value through other comprehensive income, time deposits, derivative financial instruments and non-current portion of interest-bearing bank borrowings, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of bills receivables, and time deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

The fair values of unlisted equity investments have been estimated using a market approach. The key assumptions applied in the calculation using a market-based valuation technique are the comparable companies, price to sales ("**P/S**") multiples and discount of lack of marketability ("**DLOM**"). Comparable companies are actively traded in stock market and the multiples are publicly available. Also, to adjust the fair value difference between a publicly traded company and a private company, an independent valuer engaged by the Group has applied the option price model to estimate the DLOM. The directors of the Company believe that the estimated fair values resulting from the valuation techniques, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss or other comprehensive income, where applicable, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group enters into derivative financial instruments with various counterparties. Derivative financial instruments, comprising foreign currency forward contracts, are measured using valuation techniques similar to forward pricing value calculations. The models incorporate various market observable inputs including foreign exchange forward rates at the delivery dates.

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of the non-current portion of interest-bearing bank borrowings has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at 30 June 2026 were assessed to be insignificant.

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 30 June 2026 and 31 December 2025.

	Significant unobservable input	**Range**	**Sensitivity of value of input**
Market approach			
Unlisted equity investment designated at fair value through other comprehensive income	P/S multiple of peers	4.0 (31 December 2025: 1.7)	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB312,000 (31 December 2025: RMB656,000)
	Discount for lack of marketability	31.2% (31 December 2025: 29.3%)	1% increase/decrease in discount would result in decrease/increase in fair value by RMB38,000 (31 December 2025: RMB93,000)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	**Significant observable inputs (Level 2)** RMB'000	**Significant unobservable inputs (Level 3)** RMB'000	**Total** RMB'000
As at 30 June 2026 (unaudited)				
Bills receivable	**–**	**229,919**	**–**	**229,919**
Equity investment designated at fair value through other comprehensive income	**–**	**–**	**3,200**	**3,200**
Total	**–**	**229,919**	**3,200**	**233,119**
As at 31 December 2025 (audited)				
Bills receivable	–	170,292	–	170,292
Derivative financial instruments	–	18,329	–	18,329
Equity investment designated at fair value through other comprehensive income	–	–	6,790	6,790
Total	–	188,621	6,790	195,411

17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Liabilities measured at fair value:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	**Significant observable inputs (Level 2)** RMB'000	**Significant unobservable inputs (Level 3)** RMB'000	**Total** RMB'000
As at 30 June 2026 (unaudited)				
Derivative financial instruments	**–**	**40,565**	**–**	**40,565**

The Group did not have any financial liabilities measured at fair value as at 31 December 2025.

Assets for which fair values are disclosed:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	**Significant observable inputs (Level 2)** RMB'000	**Significant unobservable inputs (Level 3)** RMB'000	**Total** RMB'000
As at 30 June 2026 (unaudited)				
Time deposit	**–**	**85,663**	**–**	**85,663**
As at 31 December 2025 (audited)				
Time deposit	–	85,012	–	85,012

Liabilities for which fair values are disclosed:

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	**Significant observable inputs (Level 2)** RMB'000	**Significant unobservable inputs (Level 3)** RMB'000	**Total** RMB'000
As at 30 June 2026 (unaudited)				
Interest-bearing bank and other borrowings	**–**	**497,478**	**–**	**497,478**
As at 31 December 2025 (audited)				
Interest-bearing bank and other borrowings	–	340,306	–	340,306

During the six months ended 30 June 2026, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities. During the six months ended 30 June 2025, there was no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities, other than the aforementioned equity investment designated at fair value through other comprehensive income.

18. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 24 August 2026.