



INTERIM REPORT
2026

登輝控股有限公司
Town Ray Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1692





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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Wai Ming
(Chief Executive Officer)
Ms. Tang Mei Wah
Dr. Yu Kwok Wai
Mr. Lee Pak Man
(appointed on 27 May 2026)
Ms. Tung Ming Yiu
(appointed on 27 May 2026)
Mr. Luk Hok Keung
(appointed on 27 May 2026)
Mr. Chiu Wai Kwong
(retired on 27 May 2026)

Non-executive Directors

Dr. Chan Kam Kwong Charles
(Chairman)
Ms. Cheng Yuk Sim Connie
(also known as
Ms. Cheng Yuk Yee Connie)

Independent Non-executive Directors

Mr. Choi Chi Leung Danny
Mr. Chan Shing Jee
Ms. Chan Tak Yi
Ms. Leung Lai Yee Edwina

BOARD COMMITTEES

Audit Committee

Ms. Chan Tak Yi (Chairperson)
Mr. Choi Chi Leung Danny
Mr. Chan Shing Jee
Ms. Leung Lai Yee Edwina

Remuneration Committee

Mr. Chan Shing Jee (Chairperson)
Mr. Choi Chi Leung Danny
Ms. Chan Tak Yi
Ms. Leung Lai Yee Edwina

Nomination Committee

Mr. Choi Chi Leung Danny (Chairperson)
Mr. Chan Shing Jee
Ms. Chan Tak Yi
Ms. Leung Lai Yee Edwina

COMPANY SECRETARY

Ms. Tung Ming Yiu
(appointed on 27 May 2026)
Mr. Chiu Wai Kwong
(retired on 27 May 2026)

AUTHORISED REPRESENTATIVES

Mr. Chan Wai Ming
Ms. Tung Ming Yiu
(appointed on 27 May 2026)
Mr. Chiu Wai Kwong
(retired on 27 May 2026)

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshop A, 25th Floor
Reason Group Tower
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REGISTERED OFFICE IN THE CAYMAN ISLANDS

Windward 3
Regatta Office Park
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Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

CORPORATE INFORMATION

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

LEGAL ADVISER

(As to Hong Kong law)

ONC Lawyers
19/F, Three Exchange Square
8 Connaught Place
Central
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking
Corporation Limited
Bank of China (Hong Kong) Limited

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
under the Accounting and Financial
Reporting Council Ordinance
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

COMPANY'S WEBSITE

www.townray.com

STOCK CODE

1692

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY OVERVIEW

Town Ray Holdings Limited (the “**Company**”, or “**Town Ray**”, together with its subsidiaries, collectively, the “**Group**” or “**we**”, “**our**” or “**us**”) is an advanced product developer, industrial designer, manufacturer, and supplier for a broad range of mid-to-high-end electrothermic household appliances to internationally renowned brands in overseas markets, covering over 30 countries and regions, with many of the Group’s customers being reputable and well-developed international brands. The Group’s electrothermic household products are grouped into two categories, namely (i) garment care appliances, including steam generator irons, garment steamers and steam irons; and (ii) cooking appliances, including coffee machines, steam cooking appliances and other cooking appliances.

BUSINESS REVIEW

The first half of 2026 presented Town Ray with an exceptionally demanding operating environment, characterised by intensifying geopolitical conflicts, persistent supply chain disruptions, and an observable deceleration in global economic growth. The global economy faced stagflation risks as the US-Iran conflict disrupted energy and chemical supply chains through the Strait of Hormuz, driving commodity prices higher and prompting major central banks to shift from 2025’s easing stance toward monetary tightening to control inflation. Within this turbulent context, the Group demonstrated exceptional strategic agility and operational resilience, delivering a solid performance that shows the effectiveness of our disciplined capital allocation, automation-driven cost optimisation, and forward-looking technology investments.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June 2026 (the “**Period**”), the Group recorded a decrease in unaudited net profit attributable to owners of the Company from approximately HK\$30.1 million for the six months ended 30 June 2025 to approximately HK\$18.9 million, representing a decrease of approximately HK\$11.2 million or approximately 37.1%. This outcome was predominantly driven by four factors: (i) the decrease in revenue; (ii) the substantial increase in direct material costs due to sustained geopolitical tensions, which was offset by the decrease in direct labour costs and overhead; (iii) the change from foreign exchange gains for the six months ended 30 June 2025 to foreign exchange losses during the Period, mainly due to the appreciation of the Renminbi (“**RMB**”) against the U.S. dollar (“**USD**”); and (iv) the change from the reversal of impairment of trade receivables, net for the six months ended 30 June 2025 to the impairment of trade receivables, net during the Period, which reflected an increase in credit risk exposure on the Group’s trade receivables. However, our disciplined cost management initiatives, particularly reductions in direct labour costs and overhead through automation and standardisation in production, delivered tangible offsets; these offsets underscore the resilience of our operational model.

PROSPECTS

Looking ahead, the Group adopts an assertive, opportunity-driven stance. Navigating a complex and dynamic global macroeconomic environment, we are actively shaping our competitive trajectory through a multi-faceted strategy. By converging targeted investments in next-generation technology, human capital, sustainable operations, and geographic expansion, the Group is moving decisively to fortify its market leadership and unlock new avenues of growth.

MANAGEMENT DISCUSSION AND ANALYSIS

Technology and product innovation remain the vital cornerstones of our growth engine. Building upon our foundational digital initiatives, we continuously accelerate the deployment of our artificial intelligence (“AI”) assisted database and embed advanced technologies across our entire enterprise architecture. By integrating 3D simulation, robotic process automation, and a comprehensive manufacturing operations management system, we are actively restructuring our corporate frameworks. This strategic application of AI is designed to streamline operations, eliminate redundant reporting, and facilitate real-time, data-driven decision-making. These technological upgrades not only optimise cost management and manufacturing precision but also empower our engineering teams to elevate our core product offerings. By deeply embedding these capabilities into our corporate foundation, we are deepening customer engagement through the delivery of superior, intelligently designed, and highly responsive electrothermic household applications.

To steer this operational transformation, the Group has deliberately strengthened its leadership bench during the Period. We have strategically promoted selected members of our senior management to the Board, elevating leaders who bring fresh perspectives, deep industry expertise and proven track records in navigating volatile market environments. We believe these appointments, spanning engineering innovation, financial discipline, and operational optimisation, are poised to inject new dynamism into our strategic execution. By breaking down operational silos and fostering cross-functional collaboration, this renewed management team accelerates our agility as we move into the second half of 2026 and beyond. Complemented by rigorous, ongoing upskilling initiatives throughout the Group, we are reinforcing our internal capacity for innovation and positioning our workforce to capture emerging opportunities with unparalleled speed and conviction.

MANAGEMENT DISCUSSION AND ANALYSIS

Geographically, our dual-path expansion strategy remains highly resilient. We continue to fortify our entrenched partnerships in established markets, ensuring consistent volume and service excellence. Simultaneously, we are aggressively penetrating high-potential growth regions, specifically the People's Republic of China (the **"PRC"**) and Southeast Asia. By leveraging our long-standing reputation for product reliability and manufacturing excellence, we are capturing vital new market share in these burgeoning economies. Concurrently, we are maintaining strict agility within our global supply chain. Preparatory work and infrastructural readiness for our strategic re-entry into the United States market continue in parallel, ensuring the Group is perfectly positioned to capitalise swiftly the moment regulatory and tariff conditions permit a profitable return.

As we modernise our operations, the Group is increasingly aligning its strategic objectives with forward-looking environmental, social, and governance (**"ESG"**) principles. We recognise that sustainable manufacturing is inseparable from long-term profitability. By integrating robust ESG frameworks into our operational matrix, we are optimising energy efficiency on the production floor, reducing waste through precision engineering, and upholding rigorous, transparent reporting standards. This commitment ensures our growth trajectory meets the rising sustainability expectations of our global stakeholders, corporate partners, and the communities in which we operate.

Underpinning these ambitious initiatives is a foundation of our financial discipline. The Group's overarching financial objective for the remainder of 2026 is to generate robust, stable operating cash flow. Through rigorous capital allocation, relentless innovation across both products and processes, and the precise execution of our diversification strategy, the Group is strategically poised to convert present macroeconomic challenges into durable competitive advantages. We remain confident in our ability to navigate the evolving landscape, secure our market leadership, and deliver sustained, long-term value to the shareholders (the **"Shareholder(s)"**) of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The total revenue of the Group decreased by approximately HK\$19.5 million or approximately 6.0% from approximately HK\$327.3 million for the six months ended 30 June 2025 to approximately HK\$307.8 million for the six months ended 30 June 2026. Such a decrease was mainly attributable to the decrease in the sales of garment care appliances and cooking appliances during the Period.

Gross Profit and Gross Profit Margin

The gross profit of the Group decreased by approximately HK\$4.7 million or approximately 5.8% from approximately HK\$80.8 million for the six months ended 30 June 2025 to approximately HK\$76.1 million for the six months ended 30 June 2026. The gross profit margin of the Group remained at approximately 24.7% for the six months ended 30 June 2025 and 2026. The decrease in gross profit for the Period was mainly attributable to (i) the decrease in revenue; and (ii) the substantial increase in direct material costs due to sustained geopolitical tensions, which was offset by the decrease in direct labour costs and overhead.

Other Income and Gain, Net

Other income and gain, net of the Group decreased by approximately HK\$1.4 million from approximately HK\$6.6 million for the six months ended 30 June 2025 to approximately HK\$5.2 million for the six months ended 30 June 2026. Such a decrease was mainly due to the following factors: (i) the decrease in foreign exchange gains of approximately HK\$2.7 million; and (ii) the decrease in bank interest income of approximately HK\$0.8 million, as a result of the combined effect of lower deposit interest rates and the decrease in bank deposits. However, such decrease was partially offset by the increase in other income and consultancy income of approximately HK\$1.1 million and approximately HK\$0.7 million, respectively, during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and Distribution Expenses

Selling and distribution expenses of the Group increased by approximately HK\$0.9 million from approximately HK\$7.1 million for the six months ended 30 June 2025 to approximately HK\$8.0 million for the six months ended 30 June 2026. Such an increase was mainly due to the following factors: (i) the increase in staff costs of approximately HK\$0.7 million; (ii) the increase in export credit insurance premiums of approximately HK\$0.3 million; and (iii) the increase in advertising and promotion expenses of approximately HK\$0.1 million. However, such increase was partially offset by the decrease in transportation and customs costs of approximately HK\$0.2 million due to the decrease in sales during the Period.

General and Administrative Expenses

General and administrative expenses of the Group slightly decreased by approximately HK\$0.8 million from approximately HK\$44.2 million for the six months ended 30 June 2025 to approximately HK\$43.4 million for the six months ended 30 June 2026. Despite the increases in charitable donations of approximately HK\$0.3 million and depreciation on right-of-use assets of approximately HK\$0.2 million during the Period, the Group effectively controlled other general and administrative expenses. Key reductions during the Period included (i) entertainment expenses of approximately HK\$0.6 million; (ii) legal and professional fees of approximately HK\$0.4 million; and (iii) staff welfare expenses of approximately HK\$0.3 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Expenses, Net

Other expenses, net of the Group, shifted from a net income of approximately HK\$0.9 million for the six months ended 30 June 2025 to a net expense of approximately HK\$6.9 million for the six months ended 30 June 2026. Such a shift of approximately HK\$7.8 million was mainly due to the following factors: (i) the change from foreign exchange gains of approximately HK\$2.7 million for the six months ended 30 June 2025 to foreign exchange losses of approximately HK\$4.8 million for the six months ended 30 June 2026, which was mainly due to the appreciation of the RMB against the USD; (ii) the change from the reversal of impairment of trade receivables, net of approximately HK\$1.0 million for the six months ended 30 June 2025 to the impairment of trade receivables, net of approximately HK\$1.5 million for the six months ended 30 June 2026, which reflected an increase in credit risk exposure on the Group's trade receivables; and (iii) the increase in the loss of disposal of items of property, plant and equipment, net of approximately HK\$0.5 million, during the Period.

Finance Costs

Finance costs of the Group decreased by approximately HK\$0.8 million from approximately HK\$1.7 million for the six months ended 30 June 2025 to approximately HK\$0.9 million for the six months ended 30 June 2026. Such a decrease was due to the following factors: (i) the decrease in interest expense on bank loans for operations of approximately HK\$0.5 million; and (ii) the decrease in interest expense on lease liabilities of approximately HK\$0.3 million, during the Period.

Income Tax Expense

With the profit before tax of the Group decreased by approximately HK\$13.3 million from approximately HK\$35.3 million for the six months ended 30 June 2025 to approximately HK\$22.0 million for the six months ended 30 June 2026, the income tax expense of the Group decreased by approximately HK\$2.1 million from approximately HK\$5.2 million for the six months ended 30 June 2025 to approximately HK\$3.1 million for the six months ended 30 June 2026. The effective tax rates of the Group for the six months ended 30 June 2025 and 2026 were approximately 14.8% and 14.1%, respectively, representing a decrease of approximately 0.7 percentage point during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

Net Profit

As a result of the foregoing, the net profit of the Group decreased by approximately HK\$11.2 million or approximately 37.1% from approximately HK\$30.1 million for the six months ended 30 June 2025 to approximately HK\$18.9 million for the six months ended 30 June 2026. The net profit margin of the Group for the six months ended 30 June 2025 and 2026 was approximately 9.2% and 6.1%, respectively, representing a decrease of approximately 3.1 percentage points during the Period. The decrease in net profit during the Period was due to the following factors: (i) the decrease in revenue; (ii) the substantial increase in direct material costs due to sustained geopolitical tensions, which was offset by the decrease in direct labour costs and overhead; (iii) the change from foreign exchange gains to foreign exchange losses; and (iv) the change from the reversal of impairment of trade receivables, net to the impairment of trade receivables, net.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were no material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group has capital commitments in respect of purchases of property, plant and equipment, which had been contracted but not provided for in the interim condensed consolidated financial information, in the total amount of approximately HK\$2.4 million (as at 31 December 2025: approximately HK\$4.4 million), of which approximately HK\$0.4 million will be settled through the net proceeds (the **"Net Proceeds"**) raised from the share offer (the **"Share Offer"**) of the Company for the listing (the **"Listing"**) of its shares (the **"Shares"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) in 2019 and the remaining balance to be settled through internal resources of the Group. Save as disclosed above, the Group did not have other capital commitments for the Period.

CONTINGENT LIABILITIES

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

MANAGEMENT DISCUSSION AND ANALYSIS

FOREIGN EXCHANGE EXPOSURE

The Group undertakes certain transactions denominated in foreign currencies, mainly USD and RMB. Hence, exposure to exchange rate fluctuations arises. During the Period, the Group did not engage in foreign currency hedging and the Group did not have any financial instruments for hedging purposes or any foreign currency investments which were hedged by currency borrowings and other hedging instruments. However, the management considers the foreign exchange risk exposure has been at an acceptable level. The management will continue to monitor foreign exchange risk exposure closely to keep the net exposure at an acceptable level.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Except for the commitments in note 13 to the interim condensed consolidated financial information and the paragraph headed “Capital Commitments” above in this interim report, the Group did not have any other plans for material investments and capital assets as at 30 June 2026 and up to the date of this interim report.

GEARING RATIO

As at 30 June 2026, the gearing ratio of the Group (calculated by the total of interest-bearing bank borrowings divided by total equity) was approximately 7.5% (as at 31 December 2025: approximately 7.7%). Such a decrease was mainly due to the decrease in interest-bearing bank borrowings of the Group during the Period.

LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group operates a conservative set of funding and treasury policies to preserve the value of the Group’s assets and ensure that no unnecessary risk is taken with respect to the Group’s assets. No financial instrument other than cash and bank deposits were held by the Group during the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group has principally funded the liquidity and capital requirements through capital contributions from the Shareholders, bank borrowings and net cash generated from operating activities. As at 30 June 2026, the Group had cash and cash equivalents of approximately HK\$77.8 million (as at 31 December 2025: approximately HK\$103.6 million). Most of the Group's cash and cash equivalents were denominated in USD and RMB. As at 30 June 2026, the current ratio of the Group was approximately 1.7 times (as at 31 December 2025: approximately 2.0 times). The financial resources presently available to the Group include cash and cash equivalents, bank borrowings and the Net Proceeds. The directors (the **"Directors"**) of the Company are of the view that the Group has sufficient working capital for its future operations. There was no change in the capital structure of the Group during the Period. During the Period, the Group did not hold or sell any treasury Shares.

DEBTS AND CHARGES ON ASSETS

The total interest-bearing bank borrowings of the Group amounted to approximately HK\$25.4 million as at 30 June 2026 (as at 31 December 2025: approximately HK\$26.3 million). As at 30 June 2026, the Group had pledged deposits of approximately HK\$0.1 million (as at 31 December 2025: approximately HK\$0.1 million) in support of the issue of four letters of credit by a bank and there was a mortgage loan of approximately HK\$15.3 million (as at 31 December 2025: approximately HK\$16.0 million) secured by a property of the Group, which had a carrying value of approximately HK\$43.0 million (as at 31 December 2025: approximately HK\$44.1 million). Other than the above, there were no charges made or subsisting on the assets of the Group as at 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The maturity profile of the bank borrowings of the Group as at each respective period end (without taking into account of any repayment on demand clause) was as follows:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Within one year	11,548	11,725
In the second year	1,519	1,515
In the third to fifth years, inclusive	4,937	4,876
Beyond five years	7,391	8,177
Total	25,395	26,293

All bank borrowings made by the Group were denominated in Hong Kong dollar and a term loan of the Group was subject to repayment on demand clause. None of the bank borrowings were at a fixed interest rate. As at 30 June 2026, all bank borrowings of the Group were at floating interest rates with reference to the Hong Kong Interbank Offered Rate (HIBOR).

PRINCIPAL RISKS AND UNCERTAINTIES

The following are some principal risks and uncertainties faced by the Group, which may materially and adversely affect its business, financial condition or results of operations:

- (i) The Group's business and operations may be seriously affected by the outbreak of an epidemic or other public health incidents, which may cause lockdown, travel restrictions and suspension of work in the PRC, Hong Kong or elsewhere;
- (ii) There have been ongoing military conflicts between Russia and Ukraine and in the Middle East region, which may affect the European, the Middle East or even the global supply chain and logistics, consumers' sentiment and demand, raw materials and production prices, interest rates and inflation rates. Such ongoing conflicts may cause a negative impact on the sales and performance of the Group;

MANAGEMENT DISCUSSION AND ANALYSIS

- (iii) The Group's sales are subject to changes in consumer preferences and other macroeconomic factors that affect consumer spending patterns. If the Group fails to design and develop products with acceptable quality, or falls behind its competitors in improving its product quality or product variety, the Group's operating results and financial condition may be adversely affected;
- (iv) The Group relies on a few major customers and its performance will be materially and adversely affected if the Group's relationship with any one of them deteriorates;
- (v) The Group's business and financial position may be adversely affected if it is not able to continue servicing the European market effectively or if there is any adverse change in the macroeconomic situation or economic downturn in Europe;
- (vi) The Group's results of operations could be adversely affected if it fails to keep pace with customer demands and preferences on product design, research and development and manufacturing of its products;
- (vii) The Group may not be successful in the development of new initiatives or improvement in the quality of its existing products; and
- (viii) The Group has operations in the PRC and Hong Kong, where transactions and cash flows are primarily denominated in RMB and USD. Therefore, the Group's financial results are exposed to foreign exchange risk due to fluctuations in currency exchange rates, particularly the appreciation or depreciation of the RMB against the USD.

SIGNIFICANT INVESTMENTS HELD

Except for the Company's investment in various subsidiaries, the Company did not hold any significant investments as at 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had a total of 1,005 full-time employees (as at 31 December 2025: 1,011). The Group has adopted its human resources policies and procedures to determine individual remuneration with reference to factors such as qualifications, experience, performance, merits, responsibilities of each individual, market conditions, etc. Remuneration packages are normally reviewed on a regular basis. Apart from salary payments, staff are also entitled to other staff benefits such as continuing education subsidies, provident fund contributions, medical insurance coverage, annual leave, discretionary bonus and options which may be granted under the share option scheme (the **"Share Option Scheme"**) adopted by the Company at the annual general meeting held on 25 May 2023 (the **"Adoption Date"**). The Group also provides induction and other on-the-job training to employees on a regular basis. The total staff costs (excluding Directors' remuneration) incurred by the Group during the Period were approximately HK\$59.9 million (during the six months ended 30 June 2025: approximately HK\$61.0 million).

USE OF PROCEEDS FROM THE SHARE OFFER

The Net Proceeds from the issue of 100,000,000 new ordinary Shares at HK\$1.30 each by way of the Share Offer received by the Company in relation to the Listing of its Shares on the Stock Exchange on 25 October 2019 (the **"Listing Date"**) were approximately HK\$90.7 million, after deducting the underwriting fees and related expenses. From the Listing Date to 31 December 2025, the Company utilised approximately HK\$89.9 million of the Net Proceeds. The amount of unutilised Net Proceeds brought forward to the beginning of the Period was approximately HK\$0.8 million. Below table sets out the status of application of the Net Proceeds during the Period:

MANAGEMENT DISCUSSION AND ANALYSIS

	Total planned use of Net Proceeds	Actual use of Net Proceeds from the Listing Date to 30 June 2026	Net Proceeds utilised during the Period	Remaining balance of Net Proceeds as at 30 June 2026	Expected timeline for the intended use
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
(A) Upgrading production facilities and enhancing production capacity	50.4	50.4	-	-	-
(B) Strengthening product design and development capabilities and increasing product offerings	31.6	31.6	-	-	-
(C) Strengthening customer base	3.0	3.0	-	-	-
(D) Upgrading information technology systems	5.7	5.3	0.4	0.4	By June 2027
Total	90.7	90.3	0.4	0.4	

From the Listing Date to 30 June 2026, the Company utilised approximately HK\$90.3 million of the Net Proceeds and the unutilised Net Proceeds as at 30 June 2026 amounted to approximately HK\$0.4 million. The Company has used the Net Proceeds and intends to use the remaining balance of the Net Proceeds in accordance with the proposed application set out in the section headed “Future Plans and Use of Proceeds” in the prospectus (the “**Prospectus**”) of the Company dated 15 October 2019. However, there has been a further delay in the use of the remaining portion of the Net Proceeds allocated for upgrading information technology systems during the Period, since the vendors took additional time to develop the relevant systems for the Group. It is expected that the remaining balance of the Net Proceeds allocated to upgrading information technology systems will be fully utilised by 30 June 2027.

CORPORATE GOVERNANCE AND OTHER INFORMATION

PURPOSE, MISSION AND VALUES

The Group is a leading product developer, industrial designer, manufacturer, and supplier for a broad range of electrothermic household appliances catering to the diverse needs of customers in overseas markets. The Group's mission is to be the top provider of advanced electrothermic household appliances. Guided by the Group's five core values of "Best Design", "Best Value", "Best Quality", "Best Communication" and "Best Service", the Group strives to provide its customers with innovative and quality products. To achieve this, the Group's strategy involves upgrading its production facilities and enhancing its production capacity, strengthening its product design and development capabilities and increasing its product offerings, strengthening its customer base and upgrading its information technology systems.

The Board considers that the Group's purpose, mission, values and strategy are aligned with the Group's culture. The Board will continue to monitor such alignment through its oversight of strategy execution, governance practices, risk management, people development and stakeholder engagement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company believes that an effective corporate governance framework is fundamental to maintaining and promoting investors' confidence, safeguarding interests of Shareholders and other stakeholders and enhancing Shareholders' value. The Company has adopted the code provisions (the "**Code Provision(s)**") set out in the Corporate Governance Code (the "**CG Code**") in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of corporate governance. In the opinion of the Directors, the Company has complied with all the applicable principles and Code Provisions set out in the CG Code during the Period and up to the date of this interim report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. After having made specific enquiry of all Directors, each of the Directors confirmed that he/she has fully complied with the required standards set out in the Model Code during the Period and up to the date of this interim report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

THE BOARD

Board Composition

As at the date of this interim report, the Board comprises 12 members, consisting of six executive Directors, two non-executive Directors and four independent non-executive Directors.

Executive Directors

Mr. Chan Wai Ming (*Chief Executive Officer*)

Ms. Tang Mei Wah

Dr. Yu Kwok Wai

Mr. Lee Pak Man ("**Mr. Lee**") (*appointed on 27 May 2026*)

Ms. Tung Ming Yiu ("**Ms. Tung**") (*appointed on 27 May 2026*)

Mr. Luk Hok Keung ("**Mr. Luk**") (*appointed on 27 May 2026*)

Non-executive Directors

Dr. Chan Kam Kwong Charles (*Chairman*)

Ms. Cheng Yuk Sim Connie

(also known as Ms. Cheng Yuk Yee Connie)

Independent non-executive Directors

Mr. Choi Chi Leung Danny

Mr. Chan Shing Jee

Ms. Chan Tak Yi

Ms. Leung Lai Yee Edwina

CHANGE IN INFORMATION OF DIRECTORS

As disclosed in the Company's circular dated 20 April 2026 and the Company's announcements dated 14 April 2026 and 27 May 2026, Mr. Chiu Wai Kwong ("**Mr. Chiu**") did not offer himself for re-election and retired as an executive Director upon the conclusion of the Company's annual general meeting held on 27 May 2026 (the "**2026 AGM**"), due to his decision to devote more time to his other personal engagements. Upon the conclusion of the 2026 AGM, Mr. Chiu retired as an executive Director and ceased to be the authorised representative of the Company under the Listing Rules and the company secretary of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

As disclosed in the Company's announcement dated 27 May 2026, as the resolutions for approving the appointment of Mr. Lee, Ms. Tung and Mr. Luk as the executive Directors had passed at the 2026 AGM, their appointments as the executive Directors had taken effect upon the conclusion of the 2026 AGM. On 27 May 2026, Ms. Tung was also appointed as the authorised representative of the Company under the Listing Rules and the company secretary of the Company.

COMPLIANCE WITH THE LAWS AND REGULATIONS

As the production of the Group mainly takes place in the PRC, the Group's business is subject to the relevant PRC national and local environmental laws and regulations, such as the Environmental Protection Law of the PRC. These laws and regulations govern a broad range of environmental matters, including discharge of wastewater and disposal of hazardous wastes. A summary of the environmental protection laws and regulations applicable to the Group is set out in the section headed "Regulatory Overview" in the Prospectus. The Group recognises the importance of compliance with regulatory requirements and the risks of non-compliance with the applicable laws and regulations. During the Period and up to the date of this interim report, the Group in all material aspects has complied with the relevant laws and regulations that have a significant impact on the business and operations of the Group. There was no material breach or non-compliance with the applicable laws and regulations by the Group during the Period and up to the date of this interim report.

RESULTS AND DIVIDENDS

The Group's profit during the Period and the Group's financial position as at 30 June 2026 are set out in the interim condensed consolidated financial information in this interim report.

The Board resolved to declare an interim dividend of HK3.7 cents per ordinary Share (the "**Interim Dividend**"), totalling approximately HK\$13.3 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK\$25.1 million), to Shareholders whose names appear on the register of members (the "**Register of Members**") of the Company at the close of business on Friday, 11 September 2026 as the record date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CLOSURE OF REGISTER OF MEMBERS

To ascertain the identity of the Shareholders who are entitled to receive the Interim Dividend, the Register of Members will be closed from Thursday, 10 September 2026 to Friday, 11 September 2026, both dates inclusive, the period during which no transfer of Shares will be effected. The Interim Dividend is expected to be paid on or before Thursday, 24 September 2026 to the Shareholders whose name appear on the Register of Members on Friday, 11 September 2026, being the record date. To qualify for receiving the Interim Dividend, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 9 September 2026.

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme at the annual general meeting of the Company held on 25 May 2023 (i.e., the Adoption Date). No option has been granted, exercised, cancelled, or lapsed under the Share Option Scheme since the Adoption Date and up to the date of this interim report. There were no outstanding options from the Adoption Date and up to 30 June 2026.

As at 1 January 2026, 30 June 2026, and up to the date of this interim report, the total number of Shares which may be allotted and issued under the scheme mandate and the service provider sublimit of the Share Option Scheme is as follows:

As at	Scheme mandate	Percentage to the total number of issued Shares	Service provider sublimit	Percentage to the total number of issued Shares
1 January 2026	35,900,000	10.0%	3,590,000	1.0%
30 June 2026	35,900,000	10.0%	3,590,000	1.0%
Date of this interim report	35,900,000	10.0%	3,590,000	1.0%

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sales of treasury Shares) during the Period. The Company did not hold any treasury Shares as at 30 June 2026.

ISSUE FOR CASH OF EQUITY SECURITIES

During the Period, the Company did not issue any equity securities (including securities convertible into equity securities) or sell any treasury Shares for cash.

DISCLOSURE OF INTERESTS

(i) Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 30 June 2026, interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director/ chief executive	Capacity/ nature of interest	Number of ordinary Shares held (Note 1)	Approximate percentage of shareholding
Dr. Chan Kam Kwong Charles (" Dr. Chan ")	Interest in a controlled corporation (Note 2)	213,640,000 (L)	59.51%
	Interest of spouse (Note 3)	6,806,000 (L)	1.90%
Ms. Cheng Yuk Sim Connie (" Ms. Cheng ")	Interest in a controlled corporation (Note 2)	213,640,000 (L)	59.51%
	Beneficial owner	6,806,000 (L)	1.90%
Mr. Chan Wai Ming	Beneficial owner	5,000,000 (L)	1.39%
Ms. Tang Mei Wah	Beneficial owner	5,000,000 (L)	1.39%
Dr. Yu Kwok Wai	Beneficial owner	5,000,000 (L)	1.39%
Mr. Lee Pak Man	Beneficial owner	5,000,000 (L)	1.39%

Notes:

- The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.
- 213,640,000 Shares are owned by Modern Expression Limited ("**Modern Expression**"), which is wholly owned by Dr. Chan and Ms. Cheng jointly. Under the SFO, each of Dr. Chan and Ms. Cheng is deemed to be interested in all the Shares owned by Modern Expression.
- Ms. Cheng is the spouse of Dr. Chan. Under the SFO, Dr. Chan is deemed to be interested in all the Shares in which Ms. Cheng is interested.

CORPORATE GOVERNANCE AND OTHER INFORMATION

(ii) Interest in associated corporations of the Company

As at 30 June 2026, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Name of associated corporation	Capacity/nature	Number of ordinary shares held in associated corporation (Note 1)	Approximate percentage of shareholding in associated corporation
Dr. Chan	Modern Expression	Interest held jointly with another person (Note 2)	1 (L)	100%
Ms. Cheng	Modern Expression	Interest held jointly with another person (Note 2)	1 (L)	100%

Notes:

1. The letter "L" denotes a person's/corporation's "long position" (as defined under Part XV of the SFO) in such shares.
2. Modern Expression is wholly owned by Dr. Chan and Ms. Cheng jointly. Dr. Chan and Ms. Cheng are spouses.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, as at 30 June 2026, none of the Directors and chief executive of the Company had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

(iii) **Substantial Shareholders' and other persons' interests and short positions in Shares, underlying Shares and debentures**

So far as the Directors are aware, as at 30 June 2026, the following persons (other than the Directors and chief executive of the Company) had or deemed or taken to have an interest and/or short positions in the Shares, underlying Shares or debentures of the Company which were required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Person/corporation	Capacity/ nature of interest	Number of ordinary Shares held (Note 1)	Approximate percentage of shareholding in the Company
Modern Expression	Beneficial owner	213,640,000 (L)	59.51%
Capital Fortress Limited ("Capital Fortress")	Beneficial owner	29,000,000 (L)	8.08%
Mr. Leung Yat Cheong Albert ("Mr. Leung")	Interest in a controlled corporation (Note 2)	29,000,000 (L)	8.08%
Ms. Chan Ying Yuk Purple ("Ms. Chan")	Interest of spouse (Note 3)	29,000,000 (L)	8.08%
Bestresult Assets Limited ("Bestresult Assets")	Beneficial owner	22,360,000 (L)	6.23%
Ms. Li Siu Lan ("Ms. Li")	Interest in a controlled corporation (Note 4)	22,360,000 (L)	6.23%
Mr. Lo Kam Wing Raymond ("Mr. Lo")	Interest of spouse (Note 5)	22,360,000 (L)	6.23%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

1. The letter “L” denotes a person’s/corporation’s “long position” (as defined under Part XV of the SFO) in such Shares.
2. Capital Fortress is wholly owned by Mr. Leung. Under the SFO, Mr. Leung is deemed to be interested in all the Shares owned by Capital Fortress.
3. Ms. Chan is the spouse of Mr. Leung. Under the SFO, Ms. Chan is deemed to be interested in all the Shares in which Mr. Leung is interested.
4. Bestresult Assets is wholly owned by Ms. Li. Under the SFO, Ms. Li is deemed to be interested in all the Shares owned by Bestresult Assets.
5. Mr. Lo is the spouse of Ms. Li. Under the SFO, Mr. Lo is deemed to be interested in all the Shares in which Ms. Li is interested.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other persons (other than the Directors and chief executive of the Company) who had or deemed or taken to have any interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

During the Period and up to the date of this interim report, none of the Directors or their close associates (as defined under the Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this interim report, there were no transactions, arrangements or contracts of significance in relation to the business of the Group to which the Company, its holding company, or any of its subsidiaries was a party and in which a Director of the Company or his/her connected entities or a controlling Shareholder (having the meaning ascribed under the Listing Rules) or any of its subsidiaries had a material interest, whether directly or indirectly, subsisted during the Period and up to the date of this interim report.

CONNECTED TRANSACTIONS

The Group did not enter into any non-fully exempted connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules, which required reporting, announcement or independent Shareholders' approval requirements of the Listing Rules, during the Period.

There were connected transactions entered into by the Group in 2024. On 10 May 2024, the Group entered into the following tenancy agreements which constituted connected transactions under Chapter 14A of the Listing Rules:

(i) Tenancy Agreement I

Town Ray Electrical (Huizhou) Limited ("**Town Ray (Huizhou)**"), an indirect wholly owned subsidiary of the Company, as tenant entered into the tenancy agreement (the "**Tenancy Agreement I**") with Tunbow Electrical (Huizhou) Limited* (東保利電業(惠州)有限公司) ("**Tunbow (Huizhou)**"), a connected person of the Company, as landlord in relation to the leasing of the Dunzilipian (Jiangbei 84) Community, Qingtang Village, Xiaojinkou Town, Huicheng District, Huizhou City, Guangdong Province, the PRC, with a total gross floor area of 85,036.10 square metres (the "**Property I**"), for renewing the then existing tenancy agreement in respect of the same premises entered into by the same parties which was expired on 31 December 2024, and the leasing of the Dunzilipian (Jiangbei 85) Community, Qingtang Village, Xiaojinkou Town, Huicheng District, Huizhou City, Guangdong Province, the PRC, with a total gross floor area of 5,171.01 square metres (the "**Property II**") for a term of three years from 1 January 2025 to 31 December 2027 at an aggregate monthly rent of RMB1,172,692.43;

* denotes unofficial name for identification only

(ii) **Tenancy Agreement II**

Town Ray (Huizhou), an indirect wholly owned subsidiary of the Company, as tenant entered into the tenancy agreement (the **"Tenancy Agreement II"**) with Tunbow (Huizhou) as landlord in relation to the leasing of Property II for a term of six months from 1 July 2024 to 31 December 2024 at a monthly rent of RMB67,223.13; and

(iii) **Tenancy Agreement III**

Town Ray (Huizhou), an indirect wholly owned subsidiary of the Company, as tenant entered into the tenancy agreement (the **"Tenancy Agreement III"**) with Tunbow Electronics (Huizhou) Limited* (東保達電子(惠州)有限公司) (**"Tunbow Electronics (Huizhou)"**), a connected person of the Company, as landlord in relation to the leasing of the Dunzilipian (Jiangbei 85) Community, Qingtang Village, Xiaojinkou Town, Huicheng District, Huizhou City, Guangdong Province, the PRC, with a total gross floor area of 15,581.76 square metres (the **"Property III"**) for a term of three years and six months from 1 July 2024 to 31 December 2027 at a monthly rent of RMB202,562.88.

The Property I, Property II and Property III are currently used for the production warehouse, manufacturing plant and related operation, dormitory, factory facilities and ancillary office of the Group.

Tunbow (Huizhou), the landlord under the Tenancy Agreement I and Tenancy Agreement II, is a company established in Huizhou City, Guangdong Province, the PRC with limited liability on 5 December 2005 and principally engages in the business of properties holding. Tunbow (Huizhou) is wholly owned by Tunbow Electrical (BVI) Limited, which is in turn wholly owned by Tunbow Investments (BVI) Limited. Tunbow Investments (BVI) Limited is owned as to approximately 78.23% by Modern Expression, which is in turn wholly owned by Dr. Chan and Ms. Cheng (both being non-executive Directors) jointly. Therefore, Tunbow (Huizhou) is an associate of Dr. Chan and Ms. Cheng, and is a connected person of the Company under Rule 14A.07(4) of the Listing Rules.

* denotes unofficial name for identification only

CORPORATE GOVERNANCE AND OTHER INFORMATION

Tunbow Electronics (Huizhou), the landlord under the Tenancy Agreement III, is a company established in Huizhou City, Guangdong Province, the PRC with limited liability on 5 December 2005 and principally engages in the business of properties holding. Tunbow Electronics (Huizhou) is wholly owned by Tunbow Electronics (BVI) Limited, which is in turn wholly owned by Tunbow Investments (BVI) Limited. Tunbow Investments (BVI) Limited is owned as to approximately 78.23% by Modern Expression, which is in turn wholly owned by Dr. Chan and Ms. Cheng (both being non-executive Directors) jointly. Therefore, Tunbow Electronics (Huizhou) is an associate of Dr. Chan and Ms. Cheng, and is a connected person of the Company under Rule 14A.07(4) of the Listing Rules.

In accordance with HKFRS 16 “Leases”, the Group was required to recognise right-of-use assets from the commencement date of the Tenancy Agreement I, Tenancy Agreement II and Tenancy Agreement III (the **“Tenancy Agreements”**) in its consolidated statement of financial position. Hence, the Tenancy Agreements and the transactions contemplated thereunder were regarded as acquisitions of right-of-use assets from the commencement date of the Tenancy Agreements by the Group, which were aggregated under Rule 14.22 of the Listing Rules as if one transaction, and after aggregation, constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and a connected transaction for the Company pursuant to Chapter 14A of the Listing Rules. The total consideration of the connected transactions under the Tenancy Agreements was approximately HK\$56.4 million, which was calculated with reference to the aggregate rental payments and discounted by a discount rate. For details, please refer to the announcement of the Company dated 10 May 2024 and the circular of the Company dated 28 May 2024.

The Tenancy Agreements and the transactions contemplated thereunder were approved by the independent Shareholders at the annual general meeting of the Company held on 21 June 2024.

RELATED PARTY TRANSACTIONS

The significant related party transactions entered into by the Group during the Period are set out in note 14 to the interim condensed consolidated financial information in this interim report. Save as (i) the transactions relating to the Tenancy Agreements, which constituted connected transactions in the year ended 31 December 2024; and (ii) the compensation to key management personnel of the Group, including the Directors and chief executive of the Company paid during the Period, which were fully-exempted connected transactions under Rule 14A.95 of the Listing Rules, none of the related party transactions transacted during the Period constitute connected transactions or continuing connected transactions (as defined under Chapter 14A of the Listing Rules). In relation to the Company's connected transactions or continuing connected transactions, the Company has complied with the relevant requirements (including applicable disclosure requirements) in accordance with the Chapter 14A of the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

The Group had no material events for disclosure subsequent to 30 June 2026 and up to the date of this interim report.

REVIEW BY AUDIT COMMITTEE

The audit committee (the "**Audit Committee**") of the Board was established on 3 October 2019 with specific written terms of reference which clearly sets out with its authority and duties.

The Audit Committee is mainly responsible for (i) making recommendations to the Board on the appointment, re-appointment and removal of external auditor; (ii) reviewing the financial statements and providing material advice in respect of financial reporting; (iii) overseeing the financial reporting process, internal controls, risk management systems and audit process of the Group; and (iv) overseeing the Company's continuing connected transactions. Details of the authority and duties of the Audit Committee are set out in the Audit Committee's terms of reference, which is available on the websites of the Stock Exchange and the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Audit Committee comprises four independent non-executive Directors, namely Ms. Chan Tak Yi (Chairperson), Mr. Choi Chi Leung Danny, Mr. Chan Shing Jee and Ms. Leung Lai Yee Edwina. The composition of the Audit Committee meets the requirements of Rule 3.21 of the Listing Rules.

The unaudited interim condensed consolidated financial information of the Group for the Period has not been audited or reviewed by auditor, but has been reviewed by the Audit Committee, who is of the opinion that the unaudited interim condensed consolidated financial information of the Group for the Period has complied with the applicable accounting standards, the Listing Rules, and that adequate disclosures have been made.

APPRECIATION

On behalf of the Board, I would like to extend my gratitude to the management and all of our staff for their dedication and commitment, as well as our business partners, customers and Shareholders for their continuous support to the Group.

On behalf of the Board

Town Ray Holdings Limited

Chan Kam Kwong Charles

Chairman and non-executive Director

Hong Kong, 25 August 2026

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
	Notes		
REVENUE	4	307,810	327,295
Cost of sales		(231,712)	(246,514)
Gross profit		76,098	80,781
Other income and gain, net	4	5,194	6,612
Selling and distribution expenses		(8,016)	(7,058)
General and administrative expenses		(43,372)	(44,243)
Other expenses, net		(6,924)	896
Finance costs		(946)	(1,696)
PROFIT BEFORE TAX	5	22,034	35,292
Income tax expense	6	(3,112)	(5,223)
PROFIT FOR THE PERIOD		18,922	30,069
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	8		
Basic and diluted		HK5.27 cents	HK8.38 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	18,922	30,069
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	8,727	2,811
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	27,649	32,880

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	9	93,081	94,058
Investment property		2,100	2,100
Right-of-use assets		94,277	102,997
Deposits paid for purchases of items of property, plant and equipment		4,464	5,073
Prepayments		58	91
Deferred tax assets		3,077	2,884
Total non-current assets		197,057	207,203
CURRENT ASSETS			
Inventories		125,879	78,218
Trade and bills receivables	10	135,253	107,666
Prepayments, deposits and other receivables		33,686	18,504
Tax recoverable		–	1,986
Pledged deposits		92	88
Cash and cash equivalents		77,824	103,641
		372,734	310,103
Assets held for sale		56	–
Total current assets		372,790	310,103
CURRENT LIABILITIES			
Trade payables	11	124,913	74,676
Other payables and accruals		47,631	37,874
Interest-bearing bank borrowings	12	25,395	26,293
Lease liabilities		17,793	17,110
Tax payable		1,102	1,658
Total current liabilities		216,834	157,611
NET CURRENT ASSETS		155,956	152,492
TOTAL ASSETS LESS CURRENT LIABILITIES		353,013	359,695

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Notes		
NON-CURRENT LIABILITIES		
Accrual	125	235
Lease liabilities	8,098	15,956
Deferred tax liabilities	4,548	3,986
Total non-current liabilities	12,771	20,177
Net assets	340,242	339,518
EQUITY		
Issued capital	3,590	3,590
Reserves	336,652	335,928
Total equity	340,242	339,518

Chan Wai Ming
Director

Tung Ming Yiu
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

		Issued capital	Share premium account	Merger reserve	Capital contribution reserve	Share- based payment reserve	Statutory reserve funds	Exchange fluctuation reserve	Retained profits	Total equity
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2025		3,590	73,524	10,000	63,000	10,050	14,695	(20,168)	200,351	355,042
Profit for the period		-	-	-	-	-	-	-	30,069	30,069
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations		-	-	-	-	-	-	2,811	-	2,811
Total comprehensive income for the period		-	-	-	-	-	-	2,811	30,069	32,880
Final 2024 dividend	7	-	-	-	-	-	-	-	(57,799)	(57,799)
At 30 June 2025 (unaudited)		3,590	73,524	10,000	63,000	10,050	14,695	(17,357)	172,621	330,123
At 1 January 2026		3,590	73,524	10,000	63,000	10,050	14,695	(15,346)	180,005	339,518
Profit for the period		-	-	-	-	-	-	-	18,922	18,922
Other comprehensive income for the period:										
Exchange differences on translation of foreign operations		-	-	-	-	-	-	8,727	-	8,727
Total comprehensive income for the period		-	-	-	-	-	-	8,727	18,922	27,649
Final 2025 dividend	7	-	-	-	-	-	-	-	(26,925)	(26,925)
At 30 June 2026 (unaudited)		3,590	73,524*	10,000*	63,000*	10,050*	14,695*	(6,619)*	172,002*	340,242

* These reserve accounts comprise the consolidated reserves of HK\$336,652,000 (31 December 2025: HK\$335,928,000) in the interim condensed consolidated statement of financial position as at 30 June 2026.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
NET CASH FLOWS FROM OPERATING ACTIVITIES	9,420	87,303
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	676	1,451
Purchases of items of property, plant and equipment	(5,438)	(10,413)
Decrease in deposits paid for purchases of items of property, plant and equipment	609	3,865
Proceeds from disposal of items of property, plant and equipment	1	17
Withdrawal of pledged deposits	–	732
Net cash flows used in investing activities	(4,152)	(4,348)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank borrowings	10,087	60,881
Repayment of bank borrowings	(10,985)	(75,280)
Principal portion of lease payments	(8,393)	(7,725)
Dividend paid	(26,925)	(57,799)
Interest paid	(946)	(1,696)
Net cash flows used in financing activities	(37,162)	(81,619)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(31,894)	1,336
Cash and cash equivalents at beginning of period	103,641	75,894
Effect of foreign exchange rate changes, net	6,077	1,881
CASH AND CASH EQUIVALENTS AT END OF PERIOD	77,824	79,111
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	33,283	41,319
Non-pledged time deposits with original maturity of less than three months when acquired	44,541	37,792
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	77,824	79,111

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

1. CORPORATE INFORMATION

Town Ray Holdings Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at Workshop A, 25th Floor, Reason Group Tower, No. 403 Castle Peak Road — Kwai Chung, Kwai Chung, New Territories, Hong Kong.

During the period, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the manufacture and sale of electrothermic household appliances.

In the opinion of the directors, the immediate holding company and the ultimate holding company of the Company is Modern Expression Limited (“Modern Expression”), a company incorporated in the British Virgin Islands.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025.

The interim condensed consolidated financial information has been prepared under the historical cost convention, except for an investment property which has been measured at fair value. The financial information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i>
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

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

- (a) Amendments to HKFRS 9 and HKFRS 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.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of electrothermic household appliances. Information reported to the Group's chief operating decision maker for the purpose of making decisions about resource allocation and performance assessment is focused on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

Geographical information

(a) Revenue from external customers

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Europe	252,480	259,930
Asia	44,560	59,922
United States	6,015	2,053
Others	4,755	5,390
Total revenue	307,810	327,295

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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information (Continued)

(b) Non-current assets

	As at 30 June 2026 HK\$'000 (Unaudited)	As at 31 December 2025 HK\$'000 (Audited)
Hong Kong	98,215	101,391
Mainland China	95,765	102,928
Total non-current assets	193,980	204,319

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets.

Information about major customers

Revenue from external customers contributing over 10% of the total revenue of the Group is as follows:

	Six months ended 30 June 2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Customer C	127,124	81,409
Customer A	44,263	72,096
Customer B	32,623	36,425

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

4. REVENUE, OTHER INCOME AND GAIN, NET

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	307,810	327,295

Revenue from contracts with customers

Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Types of goods		
Sale of electrothermic household appliances	306,004	323,399
Sale of tooling	1,806	3,896
Total	307,810	327,295
Timing of revenue recognition		
Goods transferred at a point in time	307,810	327,295

An analysis of other income and gain, net is as follows:

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Bank interest income	676	1,451
Consultancy income	2,397	1,664
Gross rental income	258	69
Government subsidies*	250	230
Foreign exchange differences, net	–	2,686
Others	1,613	512
Total	5,194	6,612

* There are no unfulfilled conditions or contingencies relating to these subsidies.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

5. PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	231,712	246,514
Depreciation of property, plant and equipment*	8,477	7,165
Depreciation of right-of-use assets*	9,903	9,417
Lease payments not included in the measurement of lease liabilities	10	10
Impairment/(reversal of impairment) of trade receivables, net^	1,521	(982)
Write-down/(reversal of write-down) of inventories to net realisable value*	1,490	(851)

* The cost of sales for the period included depreciation charge of property, plant and equipment of HK\$6,578,000 (six months ended 30 June 2025: HK\$5,337,000), depreciation charge of right-of-use assets of HK\$6,815,000 (six months ended 30 June 2025: HK\$6,509,000) and write-down of inventories to net realisable value of HK\$1,490,000 (six months ended 30 June 2025: reversal of write-down of inventories to net realisable value of HK\$851,000).

^ Included in "Other expenses, net" in the interim condensed consolidated statement of profit or loss.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2025: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current — Hong Kong profits tax		
Charge for the period	2,271	1,585
Overprovision in prior periods	(2)	—
Current — Mainland China — income taxes		
Charge for the period	512	2,277
Deferred	331	1,361
Total tax charge for the period	3,112	5,223

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

7. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Dividend recognised as distribution during the period:		
Final 2025 — HK7.5 cents		
(2024: HK16.1 cents) per ordinary share	26,925	57,799
Dividend proposed after the end of the reporting period:		
Proposed interim 2026 — HK3.7 cents		
(2025: HK7.0 cents) per ordinary share	13,283	25,130

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

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company of HK\$18,922,000 (six months ended 30 June 2025: HK\$30,069,000), and the weighted average number of ordinary shares of 359,000,000 (six months ended 30 June 2025: 359,000,000) outstanding during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026 and 2025.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with an aggregate cost of HK\$5,438,000 (six months ended 30 June 2025: HK\$10,413,000).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

10. TRADE AND BILLS RECEIVABLES

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Trade receivables	138,772	107,817
Impairment	(3,519)	(1,990)
	135,253	105,827
Bills receivables	–	1,839
Net carrying amount	135,253	107,666

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to four months for major customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Within 30 days	53,377	32,980
31 to 90 days	63,075	40,495
Over 90 days	18,801	34,191
Total	135,253	107,666

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

11. TRADE PAYABLES

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

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Within 30 days	41,339	21,027
31 to 90 days	67,914	32,180
Over 90 days	15,660	21,469
Total	124,913	74,676

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

12. INTEREST-BEARING BANK BORROWINGS

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Portion of bank loan due for repayment within one year or on demand – secured	1,461	1,464
Portion of bank loan due for repayment within one year or on demand – unsecured	10,087	10,261
Portion of bank loan due for repayment after one year which contains repayment on demand clause – secured	13,847	14,568
Total	25,395	26,293

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

13. COMMITMENTS

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

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Plant and machinery	1,089	927
Furniture, fixtures and equipment	749	804
Moulds	548	2,663
Total	2,386	4,394

14. RELATED PARTY TRANSACTIONS

(a) In addition to the balances, arrangements and transactions detailed elsewhere in this financial information, the Group had the following material transactions with related parties during the period:

		Six months ended 30 June 2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
東保利電業(惠州)有限公司 ("Tunbow (Huizhou)")*:			
Lease payments	(i)	7,623	7,281
東保達電子(惠州)有限公司 ("Tunbow Electronics (Huizhou)")*:			
Lease payments	(i)	1,316	1,257

* These related companies are controlled by Modern Expression.

Note:

(i) The lease payments were charged by the related companies at monthly fixed amount as detailed in note 14(b)(i) and 14(b)(ii).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

14. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Other transactions with related parties:

- (i) On 30 September 2021, the Group entered into a tenancy agreement with Tunbow (Huizhou) for the lease of premises for a term of 3 years ending 31 December 2024 at a monthly rent of RMB1,020,433 (inclusive of value-added tax). On 10 May 2024, the Group entered into tenancy agreements with Tunbow (Huizhou) for the leases of premises for terms of 6 months ended 31 December 2024 and 3 years ending 31 December 2027 at monthly rents of RMB67,223 (inclusive of value-added tax) and RMB1,172,692 (inclusive of value-added tax), respectively.
- (ii) On 10 May 2024, the Group entered into a tenancy agreement with Tunbow Electronics (Huizhou) for the lease of premises for a term of 42 months ending 31 December 2027 at a monthly rent of RMB202,563 (inclusive of value-added tax).

(c) Compensation of key management personnel of the Group

Remuneration for key management personnel of the Group, including directors' and chief executive's remuneration, is as follows:

	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Short-term employee benefits	8,369	9,331
Post-employment benefits	81	102
Total compensation paid to key management personnel	8,450	9,433

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, financial assets included in prepayments, deposits and other receivables, trade payables, financial liabilities included in other payables and accruals, and interest-bearing bank borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

16. 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 25 August 2026.