

中國鋁罐控股有限公司

China Aluminum Cans Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6898



INTERIM REPORT
2020





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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Lin Wan Tsang (*Chairman*)
Mr. Dong Jiangxiong

Independent Non-executive Directors

Dr. Lin Tat Pang
Ms. Luo Mei Kai
Mr. Yip Wai Man Raymond

COMMITTEES OF THE BOARD

Audit Committee

Mr. Yip Wai Man Raymond (*Chairman*)
Dr. Lin Tat Pang
Ms. Luo Mei Kai

Remuneration Committee

Ms. Luo Mei Kai (*Chairman*)
Mr. Lin Wan Tsang
Dr. Lin Tat Pang
Mr. Yip Wai Man Raymond

Nomination Committee

Dr. Lin Tat Pang (*Chairman*)
Mr. Lin Wan Tsang
Ms. Luo Mei Kai
Mr. Yip Wai Man Raymond

Risk Management Committee

Mr. Yip Wai Man Raymond (*Chairman*)
Dr. Lin Tat Pang

AUTHORIZED REPRESENTATIVES

Mr. Lin Wan Tsang
Ms. Ho Wing Yan (*ACG, HKACG (PE)*)

COMPANY SECRETARY

Ms. Ho Wing Yan (*ACG, HKACG (PE)*)

REGISTERED OFFICE

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Regatta Office Park
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Cayman Islands

HEADQUARTER OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

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Zhongshan City
Guangdong Province
People's Republic of China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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STOCK CODE

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PRINCIPAL BANKERS

Industrial and Commercial Bank of China Limited
Bank of China Limited
Bangkok Bank (China) Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

China Aluminum Cans Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are principally engaged in the manufacture and sale of monobloc aluminum aerosol cans, which are generally used in the packaging of fast-moving personal care products such as sanitizer products, body deodorant, hair styling products and shaving cream, as well as pharmaceutical products such as pain relieving spray, spray dressing and antiseptic spray. The Group has a wide range of extrusion dies available to produce more than 50 models of aluminum aerosol cans of base diameters from 22 mm to 66 mm and heights from 58 mm to 247 mm with various features and shapes for our customers’ selection.

Our revenue is primarily derived from the sale of aluminum aerosol cans. For the six months ended 30 June 2026, revenue derived from the sale of aluminum aerosol cans was approximately HK\$154.09 million (six months ended 30 June 2025: approximately HK\$117.6 million). The Group’s revenue for the six months ended 30 June 2026 recorded an increase of approximately 31% as compared to the corresponding period. The increase in revenue was mainly attributable to robust demand for new product orders and the expansion of sales scale, which ultimately led to a steady growth in the Group’s revenue during the Reporting Period compared to the corresponding period last year.

OPERATING ENVIRONMENT AND PROSPECTS

In the first half of 2026, the global economy showed signs of moderate recovery amid multiple challenges, but the complexity and uncertainty of the external environment remained prominent. Internationally, geopolitical risks have not been fundamentally resolved, commodity prices continue to fluctuate, and while inflationary pressures in certain developed economies have receded from last year’s highs, they remain above historical average levels. The global supply chain restructuring has had a long-term and profound impact on the competitive landscape of the manufacturing industry. Domestically, as the “steady growth” policy gradually took effect, consumption and investment showed a phased improvement trend in the first half of the year, with pressure from the contraction in domestic demand easing compared to last year. However, structural challenges persist - consumer confidence is recovering slowly, and overcapacity in certain industries is intensifying market competition. In addition, industrial policy adjustments (such as low-carbon transformation and technical standard upgrades) continue to bring new adaptation costs. During the Period, the Group actively seized the market opportunity arising from robust demand for new product orders, effectively expanding its sales scale and achieving steady growth in operating revenue compared to the corresponding period last year, with revenue for the first half of 2026 increasing by over 30% compared to the corresponding period in 2025. However, the Group still must prudently address the following challenges: (i) intense price competition resulting from overcapacity in the global aluminum can industry; (ii) the risk of structural downgrading in demand amid uneven consumption weakness; and (iii) rising domestic environmental compliance costs and uncertainties related to changes in international trade policies.

In the face of complex and ever-changing domestic and international situation, the Group will continue to advance the following strategies on the basis of consolidating its existing advantages: (i) while maintaining product diversity, strengthening research and development system construction, actively cultivating and attracting high-end research and development talent to comprehensively enhance innovation and research and development capabilities, and solidify the core competitiveness for the Group’s long-term development; (ii) adhering to the development model of “working closely with core customers” to deepen customer service, consolidate core partnership, and enhance customer loyalty, while actively expanding new customer development channels, strengthening customer acquisition in emerging markets and segmented fields, and building a multi-level, balanced customer structure to reduce the risk of reliance on a single market or customer concentration; (iii) accelerating capacity upgrades, reducing production costs through process innovation and lean management, improving production efficiency, and dynamically adjusting the capacity structure to flexibly respond to changes in market demand; and (iv) practicing the concept of “patent-based technology, patent standardisation and standardisation industrialization”, and actively leading or participating in the formulation and revision of various national, industry, group, and international standards to continuously expand the Group’s industry influence. While stabilizing its core business, the Group will seize opportunities in green transformation and high-end manufacturing, and through operational innovation and the conversion of innovation drivers, lay a solid foundation for high-quality development in the medium to long term.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Turnover

For the six months ended 30 June 2026, the Group's aluminum aerosol cans segment recorded a turnover of approximately HK\$154.09 million (six months ended 30 June 2025: approximately HK\$117.6 million), representing an increase of approximately 31% as compared to the corresponding period of 2025. The number of aluminum aerosol cans sold by the Group for the six months ended 30 June 2026 was approximately 79.2 million (six months ended 30 June 2025: approximately 61.8 million). The increase in revenue was mainly attributable to robust demand for new product orders and the expansion of sales scale, which ultimately led to a steady growth in the Group's revenue during the Reporting Period.

PRC and overseas customers

The Group focused on PRC market, which the revenue from the PRC market amounted to approximately 90.8% for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately 89.8%). For the six months ended 30 June 2026, the PRC customers and overseas customers contributed approximately HK\$139.9 million (six months ended 30 June 2025: approximately HK\$105.6 million) and HK\$14.2 million (six months ended 30 June 2025: approximately HK\$12.0 million) to the total revenue of the Group. There was an increase of approximately 32.4% in sales from domestic customers, which was primarily due to robust demand for new domestic product order, expanded sales scale, and increased domestic sales revenue.

Cost of Sales

For the six months ended 30 June 2026, cost of sales of the Group amounted to approximately HK\$116.3 million (six months ended 30 June 2025: approximately HK\$87.5 million), which represented approximately 75.5% (six months ended 30 June 2025: approximately 74.4%) of the turnover during the period. There was an increase of approximately 32.9% in cost of sales, which was mainly attributable to the increased price of major raw materials, leading to an increase in rigid costs, but due to existing contractual terms and market price competition pressure, the increased costs could not be fully passed on to downstream parties.

Gross Profit and Gross Profit Margin

The Group recorded a gross profit amounted to approximately HK\$37.8 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK\$30.1 million), representing an increase of approximately 25.5% as compared to the corresponding period. The increase in gross profit was mainly driven by an increase in new product orders and steady growth in sales revenue. However, due to a significant increase in the cost of major raw materials, the gross profit margin decreased from approximately 25.6% for the six months ended 30 June 2025 to approximately 24.5% for the six months ended 30 June 2026.

Other Income and Gains

Other income and gains mainly comprise sale of scrap materials, government grants and bank interest income. For the six months ended 30 June 2026, other income and gains of the Group was approximately HK\$6.1 million (six months ended 30 June 2025: approximately HK\$5.2 million), representing an increase of approximately 17% which was primarily due to the net effects of the increase in income from sale of scrap materials.

Selling and Distribution Expenses

Selling and distribution expenses mainly consist of declaration charges for delivery of products to customers, salaries, performance bonuses and employee benefits expenses for the sales and marketing staff, business travel and entertainment expenses, and advertisement and promotion costs. For the six months ended 30 June 2026, selling and distribution expenses were approximately HK\$2.4 million (six months ended 30 June 2025: approximately HK\$1.7 million), representing an increase of approximately 46.8% as compared to the corresponding period. The increase was primarily due to the net effects of the increase in salaries and benefits of marketing staff and business entertainment expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Administrative Expenses

Administrative expenses mainly represent the salaries and benefits of the administrative and management staff, business travel and entertainment expenses, professional consulting fees, depreciation and other miscellaneous administrative expenses. For the six months ended 30 June 2026, administrative expenses were approximately HK\$10.8 million (six months ended 30 June 2025: approximately HK\$9.8 million), representing an increase of approximately 10.2% as compared to the corresponding period. The increased administrative expenses was primarily due to the increase in salaries and benefits of administrative and management staff and business entertainment expenses.

Finance Costs

For the six months ended 30 June 2026, the finance costs of the Group were approximately HK\$7,000 (six months ended 30 June 2025: approximately HK\$6,000), representing an increase of approximately 16.7% as compared to the corresponding period.

Net Profit

The Group's net profit amounted to approximately HK\$19.8 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK\$14.2 million), representing an increase of approximately 39.1% as compared to the corresponding period. Net profit margin for the six months ended 30 June 2026 was approximately 12.8% (six months ended 30 June 2025: approximately 12.1%).

The increase in net profit was mainly due to the net effects of robust demand for new product orders during the period and expanded sales scale, which led to a steady growth in operating income compared to the corresponding period last year, thereby positively impacting profit.

TREASURY POLICY

The Group adopts treasury policy that aims to better control its treasury operations and lower borrowing cost. As such, the Group endeavours to maintain an adequate level of cash and cash equivalents to address short term funding needs. The Board would also consider various funding sources depending on the Group's funding needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations. The Board reviews and evaluates the Group's treasury policy from time to time to ensure its adequacy and effectiveness.

LIQUIDITY AND CAPITAL RESOURCES

Net Current Assets

As at 30 June 2026, the Group had net current assets of approximately HK\$122.7 million (31 December 2025: approximately HK\$92.2 million). The Group's cash and cash equivalents amounted to HK\$49.8 million as at 30 June 2026 (31 December 2025: approximately HK\$46.6 million) which are mainly denominated in Renminbi, United States dollars and Hong Kong dollars. The current ratio of the Group was approximately 5.0 as at 30 June 2026 (31 December 2025: approximately 4.3).

Borrowings and the Pledge of Assets

As at 30 June 2026, there is no bank borrowings of the Group (31 December 2025: approximately HK\$0 million), which were secured by our property, plant and equipment and land use rights. Previous year's all borrowings are charged with reference to the Loan Prime Rate of the People's Bank of China. All borrowings are denominated in Renminbi.

As at 30 June 2026, we had available unutilized banking facilities of approximately HK\$99.5 million (31 December 2025: approximately HK\$138.3 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Gearing Ratio

As a result of the increase in cash and cash equivalents of the Group, the gearing ratio which is calculated by dividing net debt by total equity, amounted to approximately -13.9% as at 30 June 2026 (31 December 2025: approximately -16.8%).

CAPITAL STRUCTURE

As at 30 June 2026, the total number of issued shares of the Company (the "Shares") was 944,047,000 (31 December 2025: 944,047,000).

FOREIGN EXCHANGE EXPOSURE AND EXCHANGE RATE RISK

Approximately 10% of the Group's revenue for the six months ended 30 June 2026 was denominated in United States dollars ("US\$"). However, over 95% of the production costs were settled in RMB. Therefore, there is a currency mismatch between US\$ revenue and RMB production costs, which gives rise to exposure to foreign exchange risk. Furthermore, there is a time lag between invoicing and final settlement from customers of export sales. The Group is exposed to foreign exchange risks if the foreign exchange rate at which the US\$ sales proceeds received from export sales is different from the rate at which the Group used to book the US\$ sales transactions at the time of sales.

During the six months ended 30 June 2026, we did not enter into any foreign currency forward contracts nor have any outstanding foreign currency forward contracts.

FORWARD PURCHASE OF ALUMINUM INGOTS

The major raw materials for the manufacture of aluminum aerosol cans are aluminum slugs which are processed from aluminum ingots. Aluminum ingots are widely used metal commodities, as such the price of aluminum ingots fluctuates depending on the market supply and demand conditions.

In order to avoid our business from being negatively impacted by substantial increases in the cost of aluminum ingots, it has been our practice to hedge part of our monthly estimated requirement of aluminum ingots through forward purchases and cover the remainder through purchases in the spot market. This practice enables us to average down our actual cost of aluminum ingots for production in the event of a significant increase in the spot price of aluminum ingots after our forward purchases. Due to the intensifying market price fluctuations for bulk commodity aluminum ingots in the past 6 months, we had not conducted forward purchase of aluminum ingots.

During the period ended 30 June 2026, we had not conducted any forward purchase of aluminum ingots and had no outstanding forward purchases of aluminum ingots.

EMPLOYEES AND EMOLUMENTS POLICY

As at 30 June 2026, the Group had a workforce of 289 employees (31 December 2025: 269 employees). The staff costs, including directors' emoluments but excluding any contributions to the pension scheme, were approximately HK\$17.3 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately HK\$15.6 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of an individual employee. In addition to a basic salary, year-end bonuses are offered to those staff with outstanding performance to retain eligible employees of the Group. Share options would be granted to respective employees with outstanding performance and contributions to the Group. The emoluments of the directors of the Company (the "Directors") have been determined with reference to the skills, knowledge, and contribution in the Company's affairs and the performance of each Director, and to the profitability of the Company and prevailing market conditions during the six months ended 30 June 2026.

SIGNIFICANT INVESTMENTS

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

MANAGEMENT DISCUSSION AND ANALYSIS

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 June 2026, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

USE OF PROCEEDS

Our business objectives and planned use of proceeds as stated in the prospectus dated 28 June 2013 (the "Prospectus") were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus. The actual use of proceeds was based on the actual market development. The net proceeds from the public offer and placing of the Shares (the "Share Offer") were approximately HK\$80 million. During the six months ended 30 June 2026, the net proceeds from the Share Offer had been applied as follows:

Business objectives as stated in the Prospectus	Actual net proceeds (HK\$ million)	Actual amount utilized up to 31 December 2025 (HK\$ million)	Actual amount utilized subsequent to 31 December 2025 and up to 30 June 2026 (HK\$ million)	Remaining unutilized balance as at 30 June 2026 (HK\$ million)	Expected timeline for unutilised net proceeds
Partially fund the expansion of our production capacity, including the upgrade of our existing production lines and the acquisition of a brand new production line for aluminum aerosol cans	48.0	48.0	—	—	by 31 December 2026
Establish a new research and development laboratory	12.0	3.3	—	8.7	
Partially repay US\$ denominated bank loan	16.0	16.0	—	—	
General working capital purposes	4.0	4.0	—	—	
	80.0	71.3	—	8.7	

The Board has further extended the expected timeline for the use of unutilized proceeds to 31 December 2026. As the aluminium cans industry has accelerated its transformation into a low-carbon and light-weight industry in recent years, our product lines have been tilting from the original pharmaceutical industry to the cosmetic industry. The original laboratory design plan was required to incorporate the research and development needs of new materials, and the technical verification and plan adjustment took more time than expected.

The unused net proceeds have been placed as interest-bearing deposits with licensed banks in Hong Kong and the PRC in accordance with the intention of the Board as disclosed in the Prospectus.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Apart from strengthening the Group's current business, the Group will explore new business opportunities as and when appropriate, in order to enhance shareholder's value.

CAPITAL COMMITMENTS

As at 30 June 2026, the Group's capital commitments of plant and machinery amounted to approximately HK\$0.29 million (31 December 2025: HK\$0.28 million).

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no significant contingent liabilities (31 December 2025: nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company for the Reporting Period.

EVENTS AFTER REPORTING PERIOD

In July 2026, 22,646,000 shares were repurchased. The details of the shares repurchased by the Company on The Stock Exchange were as follows:

Month/year	Number of shares repurchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Aggregate price paid HK\$
July 2026	22,646,000	0.93	0.84	19,919,480

The Board considers that the current trading price of the Shares does not adequately reflect the Company's intrinsic value and the actual business prospects of the Group. The Board is confident in the long-term strategy and growth of the Company, and the share repurchase would benefit the Company and create value to the shareholders of the Company as a whole.

Save as disclosed herein, there were no significant events after 30 June 2026 and up to the date of this report.

ISSUE OF THE CONVERTIBLE NOTES

On 20 May 2015, the Group acquired 100% interest in the Topspan Holdings Limited and its subsidiaries from Mr. Lin Wan Tsang. The acquisition was made as part of the Group's strategy to allow the Group to capture downstream profit margins by gaining access to the downstream distribution channels. The purchase consideration aggregated to HK\$900,000,000, of which HK\$780,000,000 were settled by the issue of convertible notes by the Company. On 8 July 2015, the Company issued the HK\$780,000,000 convertible notes (the "Convertible Notes").

As a result of the spin-off and separate listing of the shares of Precious Dragon Technology Holdings Limited ("Precious Dragon") on the Main Board of the Stock Exchange by way of introduction implemented by means of a distribution in specie (the "Distribution") of the entire issued share capital of Precious Dragon owned by the Company to the shareholders of the Company, the conversion price of the Convertible Notes was adjusted from HK\$1.08 per share to HK\$0.46 per share, with effect from 15 June 2019, the day following the record date for the Distribution.

On 24 March 2020, the Company and Mr. Lin Wan Tsang, the holder of the Convertible Notes, entered into the deed of amendment (the "Deed of Amendment") to (i) extend the maturity date of the Convertible Notes by five years from 20 May 2020 to 20 May 2025; and (ii) revise upwards the conversion price of the Convertible Notes from HK\$0.46 per share to HK\$0.55 per share (collectively, the "Amendments to the terms and conditions of the Convertible Notes").

Mr. Lin Wan Tsang is an executive Director, the chairman of the Board and the controlling shareholder of the Company, hence, is a connected person of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). Accordingly, the Amendments to the terms and conditions of the Convertible Notes effected by the Deed of Amendment had constituted a connected transaction for the Company under the Listing Rules.

MANAGEMENT DISCUSSION AND ANALYSIS

The Deed of Amendment was approved by the shareholders of the Company other than Mr. Lin Wan Tsang and his associates at the annual general meeting of the Company held on 15 May 2020 and the Amendments to the terms and conditions of the Convertible Notes was approved by the Stock Exchange subsequently.

On 28 March 2025, the Company and Mr. Lin entered into the deed of amendment, pursuant to which the Company and Mr. Lin conditionally agreed to extend the maturity date of the Convertible Note by five years from 20 May 2025 to 20 May 2030. Save for the extension, other terms and conditions of the Convertible Note remain unchanged.

Assuming that there is no change in share capital of the Company since 30 June 2026 and the conversion rights attached to the Convertible Notes are exercised in full, the number of issued shares of the Company will be increased by 229,228,072 (the "Conversion Shares"), representing approximately 24.28% of the issued shares of the Company as at 30 June 2026 (i.e. 944,047,000 Shares) and approximately 19.54% of the issued shares of the Company as enlarged by the allotment and issue of the Conversion Shares (i.e. 1,173,275,072 Shares).

Dilution effect of the conversion of Convertible Notes

Set out below is the dilution effect on equity interest of the substantial shareholders of the Company upon the fully conversion of the outstanding Convertible Notes by Mr. Lin Wan Tsang, the chairman of the Board and the controlling shareholder of the Company.

Substantial Shareholders	As at 30 June 2026		Upon full conversion of Convertible Notes as at 30 June 2026	
	Number of Shares	Approximately % of issued Shares	Number of Shares	Approximately % of issued Shares
Mr. Lin Wan Tsang	392,546,000	41.58%	621,774,072	52.99%
Wellmass International Limited	268,000,000	28.39%	268,000,000	22.84%

The outstanding Convertible Notes would not be converted fully as it would result in the number of Shares which are in the hands of the public falling below 25% of the Company's issued share capital.

Dilution impact on earnings per share

As calculated based on profit attributable to owners of the Company of approximately HK\$19.4 million for the six months ended 30 June 2026, basic and diluted earnings per share of the Company amounted to HK2.1 cents and HK1.7 cent, respectively.

The Company cannot redeem the Convertible Notes or part thereof at any time on or before the maturity date.

Based on the implied internal rate of returns of the Convertible Notes, the Company's share prices at the future dates at which it would be equally financially advantageous for the securities holders to convert were as follows:

Date	31 December 2026 (HK\$ per share)	31 December 2027 (HK\$ per share)
Share prices	0.55	0.55

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



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Independent review report

To the board of directors of China Aluminum Cans Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 12 to 27, which comprises the condensed consolidated statement of financial position of China Aluminum Cans Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss and other 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 accordance with IAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong
21 August 2026

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

For the six months ended 30 June 2026

	Notes	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
REVENUE	3	154,089	117,617
Cost of sales		(116,280)	(87,488)
Gross profit		37,809	30,129
Other income and gains		6,077	5,249
Selling and distribution expenses		(2,442)	(1,664)
Administrative expenses		(10,767)	(9,770)
Research and development expenses		(5,097)	(4,594)
Impairment losses on financial assets, net		(137)	(237)
Other expenses		(951)	(415)
Finance costs		(7)	(6)
PROFIT BEFORE TAX	4	24,485	18,692
Income tax expense	5	(4,724)	(4,483)
PROFIT FOR THE PERIOD		19,761	14,209
OTHER COMPREHENSIVE INCOME			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		11,091	4,034
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax		—	(726)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		30,852	17,517
Profit attributable to:			
Owners of the parent		19,443	13,956
Non-controlling interests		318	253
		19,761	14,209
Total comprehensive income attributable to:			
Owners of the parent		30,395	17,219
Non-controlling interests		457	298
		30,852	17,517
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	7		
Basic			
– For profit for the period		HK2.1 cents	HK1.5 cents
Diluted			
– For profit for the period		HK1.7 cents	HK1.2 cents

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	8	143,236	145,617
Right-of-use assets		10,522	10,341
Deferred tax assets		3,867	3,778
Total non-current assets		157,625	159,736
CURRENT ASSETS			
Inventories		40,033	25,866
Trade and bills receivables	9	46,203	36,684
Prepayments, other receivables and other assets		5,867	1,955
Financial assets at fair value through profit or loss		11,627	9,031
Cash and cash equivalents		49,757	46,575
Total current assets		153,487	120,111
CURRENT LIABILITIES			
Trade and bills payables	10	9,892	6,940
Other payables and accruals		16,969	19,479
Lease liabilities		233	214
Tax payable		3,451	1,017
Deferred income		260	250
Total current liabilities		30,805	27,900
NET CURRENT ASSETS		122,682	92,211
TOTAL ASSETS LESS CURRENT LIABILITIES		280,307	251,947

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 LIABILITIES			
Deferred tax liabilities		1,190	1,385
Deferred income		3,667	3,651
Lease liabilities		185	190
Total non-current liabilities		5,042	5,226
Net assets		275,265	246,721
EQUITY			
Equity attributable to owners of the parent			
Share capital	13	9,440	9,440
Equity component of convertible notes	14	126,076	126,076
Reserves		136,166	107,660
		271,682	243,176
Non-controlling interests		3,583	3,545
Total equity		275,265	246,721

Lin Wan Tsang

Director

Dong Jiangxiong

Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the parent										Total equity HK\$'000	
	Share capital HK\$'000	Share premium account HK\$'000	Contributed surplus HK\$'000	Merger reserve HK\$'000	Equity	Reserve funds HK\$'000	Exchange	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000		
					component of		fluctuation					
					convertible notes HK\$'000		reserve HK\$'000					
At 31 December 2025 (audited)	9,440	744,175	111,196	(900,000)	126,076	58,988	(23,361)	116,662	243,176	3,545	246,721	
Profit for the period	—	—	—	—	—	—	—	19,443	19,443	318	19,761	
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	—	—	—	—	—	—	10,952	—	10,952	139	11,091	
Total comprehensive income for the period	—	—	—	—	—	—	10,952	19,443	30,395	457	30,852	
Transfer from retained profits	—	—	—	—	—	2,287	—	(2,287)	—	—	—	
Dividends paid	—	—	—	—	—	—	—	(1,889)	(1,889)	(419)	(2,308)	
At 30 June 2026 (unaudited)	9,440	744,175	111,196	(900,000)	126,076	61,275	(12,409)	131,929	271,682	3,583	275,265	
	Attributable to owners of the parent										Total equity HK\$'000	
	Share capital HK\$'000	Share premium account HK\$'000	Contributed surplus HK\$'000	Merger reserve HK\$'000	Equity	Reserve funds HK\$'000	Fair value	Exchange	Retained profits HK\$'000	Total HK\$'000		Non-controlling interests HK\$'000
					component of		reserve	fluctuation				
					convertible notes HK\$'000		reserve HK\$'000	reserve HK\$'000				
At 31 December 2024 (audited)	9,567	730,675	111,196	(900,000)	139,826	56,459	717	(29,230)	133,981	253,191	3,761	256,952
Profit for the period	—	—	—	—	—	—	—	—	13,956	13,956	253	14,209
Other comprehensive income for the period:												
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	—	—	—	—	—	—	51	—	—	51	3	54
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	3,980	—	3,980	54	4,034
Total comprehensive income for the period	—	—	—	—	—	—	51	3,980	13,956	17,987	310	18,297
Transfer of fair value reserve upon the disposal of equity investments at FVOCI	—	—	—	—	—	—	(768)	—	—	(768)	(12)	(780)
Transfer from retained profits	—	—	—	—	—	1,826	—	—	(1,826)	—	—	—
Dividends paid	—	—	—	—	—	—	—	—	(2,678)	(2,678)	(644)	(3,322)
At 30 June 2025 (unaudited)	9,567	730,675	111,196	(900,000)	139,826	58,285	—	(25,250)	143,433	267,732	3,415	271,147

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Note	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		24,485	18,692
Adjustments for:			
Finance costs		7	6
Interest income		(66)	(223)
Dividend income from financial assets at fair value through profit or loss		—	(376)
Gain on derecognition of treasury investments		—	(781)
Loss on disposal of property, plant and equipment		6	17
Depreciation of items of property, plant and equipment	4	7,966	8,107
Depreciation of right-of-use assets	4	349	333
Provision of write-down of inventories to net realisable value	4	99	848
Impairment losses on financial assets, net	4	137	237
		32,983	26,860
(Increase)/decrease in inventories		(14,425)	1,387
Increase in trade and bills receivables		(2,837)	(18,494)
(Increase)/decrease in prepayments, deposits and other receivables		(3,956)	1,938
(Increase)/decrease in amounts due from related parties		(4,996)	1,540
Increase in trade and bills payables		2,952	2,825
Decrease in other payables and accruals		(2,510)	(1,888)
Decrease in deferred income		(129)	(124)
Cash generated from operations		7,082	14,044
Withholding tax paid		(1,552)	(2,382)
PRC corporate income tax paid		(973)	(1,578)
Net cash flows from operating activities		4,557	10,084

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Note	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend income from financial assets at fair value through profit or loss		—	376
Purchase of financial assets at fair value through profit or loss		(2,914)	—
Proceeds from disposal of financial assets at fair value through profit and loss		677	6,479
Purchases of items of property, plant and equipment	8	(136)	(5)
Proceeds from disposal of items of property, plant and equipment		10	845
Proceeds from sales or upon maturities of treasury investments		—	12,613
Interest received from banks		66	223
Net cash flows (used in)/from investing activities		(2,297)	20,531
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loans		—	(35)
Interest paid		(7)	(6)
Dividends paid to non-controlling interests		(419)	(644)
Principal portion of lease payments		(126)	(116)
Net cash flows used in financing activities		(552)	(801)
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of period		46,575	30,621
Effect of foreign exchange rate changes, net		1,474	773
CASH AND CASH EQUIVALENTS AT END OF PERIOD		49,757	61,208

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. 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 financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

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 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.
- (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.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

3. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of goods	154,089	117,617

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Type of goods		
Sale of industrial products	154,089	117,617
Geographical markets		
Chinese mainland	139,898	105,629
Africa	332	1,281
America	9,243	5,933
Asia	4,616	4,774
Total	154,089	117,617
Timing of revenue recognition		
Goods transferred at a point in time	154,089	117,617

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

4. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Cost of inventories sold	116,280	87,488
Provision of write-down of inventories to net realisable value	99	848
Impairment losses of financial assets, net	137	237
Depreciation of items of property, plant and equipment	7,966	8,107
Depreciation of right-of-use assets	349	333
Research and development costs	5,097	4,594
Exchange differences, net	606	45
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries	17,347	15,613
Pension scheme contributions	1,727	1,389

5. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated 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.

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Current –Chinese mainland	4,860	5,171
Deferred	(136)	(688)
Total	4,724	4,483

6. DIVIDENDS

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Proposed interim – HK0.20 cent (2025: HK0.15 cent) per ordinary share	1,843	1,435

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share for the period is based on the consolidated profit for the period attributable to ordinary equity holders of the parent, and on the weighted average number of ordinary shares in issue during the period.

The calculation of the diluted earnings per share amounts is based on the consolidated profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares in issue during the period, as used in the basic earnings 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.

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	19,443	13,956
	Number of shares	
Shares		
Weighted average number of ordinary shares in issue used in the basic earnings per share calculation	944,047,000	955,388,227
Effect of dilution – weighted average number of ordinary shares: Convertible Notes (note 14)	229,228,072	254,228,072
Adjusted weighted average number of ordinary shares in issue used in the diluted earnings per share calculation	1,173,275,072	1,209,616,299

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets with a cost of HK\$136,000 (30 June 2025: HK\$5,000).

Assets with a net book value of HK\$158,000 were disposed of by the Group during the six months ended 30 June 2026 (30 June 2025: HK\$862,000), resulting in a net loss on disposal of HK\$6,000 (30 June 2025: a net loss in total of HK\$17,000).

During the six months ended 30 June 2026 and 2025, no impairment loss was recognised by the Group.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

9. TRADE AND BILLS RECEIVABLES

	30 June 2026 HK\$'000 (Unaudited)	31 December 2025 HK\$'000 (Audited)
Trade receivables	45,578	36,337
Impairment	(569)	(458)
Net carrying amount	45,009	35,879
Bills receivables	1,194	805
Total	46,203	36,684

An ageing analysis of the trade receivables as at the end of the reporting periods, 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*	23,078	13,094
31 to 60 days **	8,147	5,080
61 to 90 days	6,150	6,542
Over 90 days	7,634	11,163
Total	45,009	35,879

* The outstanding balance of trade and bills receivables due from its related companies controlled by the ultimate shareholder of the Company is HK\$4,790,000 (31 December 2025: HK\$1,349,000) as at the end of the reporting period.

** The outstanding balance of trade and bills receivables due from its related companies controlled by the ultimate shareholder of the Company is HK\$1,606,000 (31 December 2025: HK\$51,000) as at the end of the reporting period.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

10. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills 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	9,296	6,020
31 to 60 days	585	667
61 to 90 days	—	—
Over 90 days	11	253
Total	9,892	6,940

11. 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)
Contracted, but not provided for:		
Plant and machinery	291	275

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

12. RELATED PARTY TRANSACTIONS

- (a) The Group had the following transactions with related parties during the period:

		For the six months ended 30 June	
	Notes	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Sales of products to:			
Guangzhou Botny Chemical Co., Ltd. ("Botny Chemical") (廣州保賜利化工有限公司)	(i)	109	—
Guangzhou Euro Asia Aerosol and Household Products Manufacture Co., Ltd. ("Euro Asia Aerosol") (廣州歐亞氣霧劑與日化用品製造有限公司)	(i)	28,144	5,741
Total		28,253	5,741
Lease rental expenses charged by:			
Mr. Lin Wan Tsang	(ii)	33	33

Notes:

- (i) Botny Chemical and Euro Asia Aerosol are related companies controlled by the ultimate shareholder of the Company. The sales and purchases between the companies were made on prices and conditions as mutually agreed.
- (ii) The lease rental expenses charged by Mr. Lin Wan Tsang were determined based on the underlying contracts as agreed between the Group and Mr. Lin Wan Tsang.

- (b) Outstanding balances with its related companies:

The Group had an outstanding balance due to its related companies controlled by the ultimate shareholder of the Company amounting to HK\$13,000 (31 December 2025: HK\$13,000) as at the end of the reporting period. This balance is unsecured, interest-free and has no fixed terms of repayment.

The Group had an outstanding balance due from its related companies controlled by the ultimate shareholder of the Company amounting to HK\$6,396,000 (31 December 2025: HK\$1,400,000) as at the end of the reporting period.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

12. RELATED PARTY TRANSACTIONS *(continued)*

(c) Compensation of key management personnel of the Group:

	For the six months ended 30 June	
	2026 HK\$'000 (Unaudited)	2025 HK\$'000 (Unaudited)
Fees	1,066	976
Salaries, allowances and benefits in kind	464	342
Pension scheme contributions	48	39
Total compensation paid to key management personnel	1,578	1,357

13. SHARE CAPITAL

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Authorised 1,500,000,000 (31 December 2025: 1,500,000,000) ordinary shares of HK\$0.1	15,000,000	15,000,000
Issued and fully paid 944,047,000 (31 December 2025: 944,047,000) ordinary shares of HK\$0.1	9,440,470	9,440,470
Equivalent to HK\$'000	9,440	9,440

There were no changes in the Company's share capital during the period ended 30 June 2026.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

14. CONVERTIBLE NOTES

On 20 May 2015, the Group acquired 100% interest in the Topspan Holdings Limited and its subsidiaries from Mr. Lin Wan Tsang. The acquisition was made as part of the Group's strategy to allow the Group to capture downstream profit margins by gaining access to the downstream distribution channels. The purchase consideration aggregated to HK\$900,000,000, of which HK\$780,000,000 were settled by the issue of convertible notes by the Company. On 8 July 2015, the Company issued the HK\$780,000,000 convertible notes (the "Convertible Notes").

As a result of the spin-off and separate listing of the shares of Precious Dragon Technology Holdings Limited ("Precious Dragon") on the Main Board of the Stock Exchange by way of introduction implemented by means of a distribution in specie (the "Distribution") of the entire issued share capital of Precious Dragon owned by the Company to the Shareholders, the conversion price of the Convertible Notes was adjusted from HK\$1.08 per Share to HK\$0.46 per Share, with effect from 15 June 2019, the day following the record date for the Distribution. On 24 March 2020, the Company and Mr. Lin Wan Tsang, the holder of the Convertible Notes, entered into the deed of amendment (the "Deed of Amendment") to (i) extend the maturity date of the Convertible Notes by five years from 20 May 2020 to 20 May 2025; and (ii) revise upwards the conversion price of the Convertible Notes from HK\$0.46 per Share to HK\$0.55 per Share (collectively, the "Amendments to the terms and conditions of the Convertible Notes").

Mr. Lin Wan Tsang is an executive Director, the chairman of the Board and the controlling Shareholder, hence, is a connected person of the Company under the Listing Rules. Accordingly, the Amendments to the terms and conditions of the Convertible Notes effected by the Deed of Amendment had constituted a connected transaction for the Company under the Listing Rules.

The Deed of Amendment was approved by the Shareholders other than Mr. Lin Wan Tsang and his associates at the AGM held on 15 May 2020 and the Amendments to the terms and conditions of the Convertible Notes was approved by the Stock Exchange subsequently.

Assuming that there is no change in share capital of the Company since 30 June 2026 and the conversion rights attached to the Convertible Notes are exercised in full, the number of issued Shares will be increased by 229,228,072, representing approximately 24.28% of the issued share capital of the Company as at 31 December 2025 (i.e. 944,047,000 Shares) and approximately 19.54% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares (i.e. 1,173,275,072 Shares).

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

At 30 June 2026 and 31 December 2025, the fair values of the Group's financial assets and financial liabilities approximated to their respective carrying amounts.

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

The Group's corporate finance team headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the chief financial officer and the audit committee. At each reporting date, the corporate finance team 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 valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

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.

Fair value hierarchy

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

Assets measured at fair value:

As at 30 June 2026

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Financial assets at fair value through Profit and Loss	—	11,627	—	11,627

As at 31 December 2025

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Financial assets at fair value through Profit and Loss	—	9,031	—	9,031

16. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after 30 June 2026 and up to the date of this report.

OTHER INFORMATION

DIRECTOR'S AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, interests or short positions in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) held by the Directors and chief executive of the Company which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") are as follows:

(i) Long positions in the Shares

Names of Director	Number of Ordinary Shares		Total	Approximate percentage of the issued Shares (Note 1)
	Beneficial owner	Interests in a controlled corporation		
Mr. Lin Wan Tsang ("Mr. Lin")	392,546,000	268,000,000 (Note 2)	660,546,000	69.97%

Notes:

- (1) These percentages have been compiled based on the total number of issued Shares as at 30 June 2026 (i.e. 944,047,000 Shares).
- (2) These Shares are held by Wellmass International Limited ("Wellmass"), which is wholly and beneficially owned by Mr. Lin.

OTHER INFORMATION

DIRECTOR'S AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES *(continued)***(ii) Long positions in the underlying Shares of the convertible notes of the Company:**

Name of the holder of the convertible notes	Principal amount of the convertible notes	Number of the total underlying Shares	Approximate percentage of the issued Shares (Note 1)
Mr. Lin (Note 2)	126,075,440	229,228,072	24.28%

Notes:

- These percentages have been compiled based on the total number of issued Shares as at 30 June 2026 (i.e. 944,047,000 Shares).
- These convertible notes were issued by the Company on 8 July 2015 as part of the consideration to the acquisition of Topspan Holdings Limited and its subsidiaries on 20 May 2015. They are unlisted, interest-free and convertible into the Shares at the conversion price of HK\$0.55 per Share.

Save as disclosed above, none of the Directors or chief executive of the Company and/or any of their respective close associates had registered any interests or short positions in any Shares, underlying Shares in, and debentures of, the Company or any associated corporations as at 30 June 2026, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

(i) Long Positions in the Shares

Name of shareholder	Capacity/Nature of interests	Number of Shares held	Approximate percentage of issued Shares (Note 1)
Wellmass (Note 2)	Beneficial owner	268,000,000	28.39%

Notes:

- These percentages have been compiled based on the total number of issued Shares as at 30 June 2026 (i.e. 944,047,000 Shares).
- Wellmass is a company incorporated in the British Virgin Islands, and is solely and beneficially owned by Mr. Lin.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES *(continued)*

(i) Long Positions in the Shares *(continued)*

Save as disclosed above, as at 30 June 2026, no person, other than the Director and chief executive of the Company, whose interests are set out in the section "Director's and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had registered an interest or short position in the Shares or underlying Shares that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this report, no transactions, arrangements or contracts of significance to which the Company, its parent company, its subsidiaries or fellow subsidiaries were a party and in which a Director or his connected entities had a material interest, either directly or indirectly, subsisted at the end of the period or at any time during the period.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the six months ended 30 June 2026 and up to the date of this report, none of the Directors or any of their respective close associates has engaged in any business that had competed or may compete with the business of the Group and any other conflict of interests which any such person had or might have with the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the sections headed "Director's and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above and "Pre-IPO Share Option Scheme" below, at no time during the six months ended 30 June 2026 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective close associates nor was the Company, its parent company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors, or their respective close associates to acquire such rights in any other body corporate.

PRE-IPO SHARE OPTION SCHEME AND SHARE OPTION SCHEME

The Company conditionally adopted a pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") on 20 June 2013, which became effective on 12 July 2013 (the "Listing Date") and options in respect of 17,490,000 Shares under the Pre-IPO Share Option Scheme had been granted on 21 June 2013. The Company also conditionally adopted a share option scheme on 20 June 2013 (the "Share Option Scheme"), which became effective on the Listing Date and no option had been granted by the Company up to the date of this report.

OTHER INFORMATION

PRE-IPO SHARE OPTION SCHEME

The Company adopted the Pre-IPO Share Option Scheme on 20 June 2013 so as to recognize and motivate the contributions that certain executive and non-executive Directors, members of the senior management and other employees (the "Grantees") have made or may make to our Group.

Initially, options to subscribe for an aggregate of 17,490,000 Shares had been granted to the Grantees. No further securities shall be available for issue under the Pre-IPO Share Option Scheme as at the date of this report. No further options will be granted by the Company pursuant to the Pre-IPO Share Option Scheme. The exercise price per Share is HK\$0.70, which is equivalent to 70% of the offering price per Share. All options granted under the Pre-IPO Share Option scheme on or before 20 June 2013 may be exercised in the following manner:

Exercise Period	Maximum percentage of options exercisable
Commencing on the first anniversary date of the Listing Date upon certain fulfillment of certain conditions and ending on the 10th anniversary date of the offer date (the "Expiration Date") (both dates inclusive)	30% of the total number of options granted to each of the Grantees
Commencing on the second anniversary date of the Listing Date upon certain fulfillment of certain conditions and ending on the Expiration Date (both dates inclusive)	30% of the total number of options granted to each of the Grantees
Commencing on the third anniversary date of the Listing Date upon certain fulfillment of certain conditions and ending on the Expiration Date (both dates inclusive)	40% of the total number of options granted to each of the Grantees

An option may be exercised in accordance with the terms of the Pre-IPO Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the Listing Date subject to the provisions of early termination thereof. Each of the Grantees is required to pay HK\$1.00 on acceptance of the options granted under the Pre-IPO Share Option Scheme.

OTHER INFORMATION

PRE-IPO SHARE OPTION SCHEME *(Continued)*

During the six months ended 30 June 2026, no share options were granted, exercised, lapsed and cancelled under the Pre-IPO Share Option Scheme.

The number of shares that may be issued in respect of options granted under the Pre-IPO Share Option Scheme of the Company during the Period is nil, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the Period.

2013 SHARE OPTION SCHEME

The Company adopted the Share Option Scheme on 20 June 2013, which became effective on the Listing Date.

The Share Option Scheme is a share incentive scheme and is established to recognize and motivate the contributions that eligible participants (as defined in the Prospectus) have made or may make to the Group.

The Share Option Scheme was terminated on 19 May 2023.

During the six months ended 30 June 2026, no Share options were granted, exercised, lapsed and cancelled under the Share Option Scheme. No further options will be granted by the Company pursuant to the 2013 Share Option Scheme.

The number of shares that may be issued in respect of options granted under the 2013 Share Option Scheme of the Company during the Period is nil, representing 0% of the weighted average number of shares of the relevant class in issue of the Company for the Period.

2023 SHARE OPTION SCHEME

The Company adopted the 2023 Share Option Scheme on 19 May 2023. The maximum numbers of Shares in respect of which options may be granted under the Share Option Scheme and any other schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the 19 May 2023 (i.e. 90,178,500 Shares) unless approved by the shareholders of the Company.

The eligible participants shall be determined by the Board from time to time on the basis of his contribution or potential contribution to the development and growth of the group.

During the six months ended 30 June 2026, no share options were granted, exercised, lapsed and cancelled under the 2023 Share Option Scheme. The number of options available for grant under the scheme mandate of the 2023 Share Option Scheme as at 1 January 2026 and 30 June 2026 is 90,178,500.

The number of shares that may be issued in respect of options granted under the 2023 Share Option Scheme during the Period is nil, representing 0% of the weighted average number of shares of the relevant class in issue of the Company during the Period.

OTHER INFORMATION

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 20 June 2013 with terms of reference (amended on 31 December 2015) in compliance with the Corporate Governance Code as set out in Appendix C1 (the "CG Code") to the Listing Rules for the purpose of making recommendations to the Board on the appointment and removal of the external auditor, reviewing the financial statements and related materials, providing advice in respect of the financial reporting process and overseeing the risk management and internal control systems of the Group. The Audit Committee now comprises three members, all being independent non-executive Directors, namely, Mr. Yip Wai Man Raymond (Chairman), Dr. Lin Tat Pang and Ms. Luo Mei Kai. The Group's accounting principles and practices, financial statements and related materials for the period had been reviewed by the Audit Committee.

The Audit Committee has reviewed, with the management, the accounting principles and policies adopted by the Group, and discussed the unaudited condensed consolidated financial statements matters of the Group for the six months ended 30 June 2026 and recommended its adoption by the Board.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the "Remuneration Committee") was established on 20 June 2013 with specific written terms of reference in compliance with the CG Code for the purpose of making recommendations to the Board regarding the Group's policy and structure for all remuneration of Directors and senior management and approving the remuneration package of the individual executive Directors, the specific duties set out in CG Code provisions E.1.2(a) to (h). The Remuneration Committee comprises a total of four members, being one executive Director, namely, Mr. Lin Wan Tsang, and three independent non-executive Directors, namely, Ms. Luo Mei Kai (Chairman), Dr. Lin Tat Pang and Mr. Yip Wai Man Raymond. Accordingly, a majority of the members are independent non-executive Directors.

NOMINATION COMMITTEE

The nomination committee of the Company (the "Nomination Committee") was established on 20 June 2013 with specific written terms of reference in compliance with the CG Code for the purpose of reviewing the Board composition, developing the relevant procedures for nomination and appointment of Directors and assessing the independence of independent non-executive Directors to ensure that the Board has a balance of expertise, skills and experience and formulating succession plans for executive Directors and senior executives. The Nomination Committee assesses each Director's effectiveness, integrity, and independence, relevant work experience, considering their contributions to Board discussions and decisions. This ongoing evaluation process ensures that the Board is composed of qualified individuals capable of fulfilling their responsibilities and driving the Company's success. The Nomination Committee comprises a total of four members, being one executive Director, namely, Mr. Lin Wan Tsang, and three independent non-executive Directors, namely, Dr. Lin Tat Pang (Chairman), Ms. Luo Mei Kai and Mr. Yip Wai Man Raymond. Accordingly, a majority of the members are independent non-executive Directors.

RISK MANAGEMENT COMMITTEE

The risk management committee of the Company (the "Risk Management Committee") was established on 24 June 2013, with specific written terms of reference for reviewing and approving the hedging policies as formulated by the hedging team of the Company (the "Hedging Team") and reporting to the Board as to whether the hedging policies have been duly following by the Hedging Team. The Risk Management Committee is authorized to separate an independent direct access to and complete an open communication with the Group's management to allow them to fulfill their duties. The Risk Management Committee comprises a total of two members, being two independent non-executive Directors, namely, Mr. Yip Wai Man Raymond (Chairman) and Dr. Lin Tat Pang.

The Risk Management Committee has reviewed the hedging policies regarding its activities in forward purchases of aluminum ingots and entering into foreign currency forward contracts statements of the Group for the six months ended 30 June 2026 and is of the opinion that the Group has complied with the hedging policy.

OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the CG Code during the six months ended 30 June 2026, except the CG Code provision C.2.1.

Pursuant to the CG Code provision C.2.1, the role(s) of chairman and chief executive should be separate and should not be performed by the same individual. As the duties of chairman and chief executive of the Company (the "Chief Executive") are performed by Mr. Lin, the Company has deviated from the CG Code. The Board believes that it is necessary to vest the roles of chairman and chief executive in the same person due to its unique role, Mr. Lin's experience and established market reputation in the industry, and the importance of Mr. Lin in the strategic development of the Company. The dual role arrangement provides strong and consistent market leadership and is critical for efficient business planning and decision making of the Company. As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on the publicly available information and to the best of the Directors' knowledge, information and belief, the Company had maintained sufficient public float of not less than 25% of its total issued Shares as required under the Listing Rules for the six months ended 30 June 2026 and to the date of this report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding the Directors' securities transactions. All Directors have confirmed that, following specific enquiries made by the Company, they have complied with the required standards set out in the Model Code for the six months ended 30 June 2026.

DIVIDENDS

The Board has resolved to declare an interim dividend of HK0.2 cent per Share for the six months ended 30 June 2026 (six months ended 30 June 2025: HK0.15 cent per Share) to be payable on or around 28 October 2026 to the shareholders of the Company whose names appear on the register of members of the Company on 9 September 2026. As of the date of this report, Shares repurchased and cancelled were not included in 2026 interim dividend distribution.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 4 September 2026 to 9 September 2026, both days inclusive, during which period no transfers of Shares shall be effected. In order to qualify for the interim dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, 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 3 September 2026.

By order of the Board
China Aluminum Cans Holdings Limited
中國鋁罐控股有限公司
Lin Wan Tsang
Chairman and executive Director

Hong Kong
 21 August 2026