



亞洲聯網科技  
有限公司

**Asia Tele-Net and Technology Corporation Limited**

(Incorporated in Bermuda with limited liability)

(Stock Code : 0679)



INTERIM  
REPORT  
2026

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

LAM Kwok Hing *MH, JP*  
(Chairman & Managing Director)

NAM Kwok Lun  
(Deputy Chairman)

YUNG Wai Ching  
(Executive Director)

NG Chi Kin David  
(Independent Non-executive Director)

CHEUNG Kin Wai  
(Independent Non-executive Director)

HONG Hui Lung  
(Independent Non-executive Director)

### AUTHORISED REPRESENTATIVES

LAM Kwok Hing *MH, JP*  
NAM Kwok Lun

### COMPANY SECRETARY

YUNG Wai Ching

### LEGAL ADVISOR

Sidley Austin

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
DBS Bank (Hong Kong) Limited  
The Bank of East Asia Limited

### AUDIT COMMITTEE

CHEUNG Kin Wai  
(Committee Chairman)

NG Chi Kin David  
HONG Hui Lung

### NOMINATION COMMITTEE

LAM Kwok Hing *MH, JP*  
(Committee Chairman)

YUNG Wai Ching  
NG Chi Kin David  
CHEUNG Kin Wai  
HONG Hui Lung

### REMUNERATION COMMITTEE

NG Chi Kin David (Committee Chairman)  
NAM Kwok Lun  
CHEUNG Kin Wai  
HONG Hui Lung

### INVESTMENT COMMITTEE

LAM Kwok Hing *MH, JP*  
(Committee Chairman)

NAM Kwok Lun  
YUNG Wai Ching  
HONG Hui Lung

### AUDITOR

Deloitte Touche Tohmatsu  
Certified Public Accountants  
Registered Public Interest Entity Auditors



**REGISTERED OFFICE**

Richmond House  
12 Par-la-Ville Road  
Hamilton HM 08  
Bermuda

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS**

Rooms 607-610  
6/F, Tai Yau Building  
181 Johnston Road  
Wan Chai  
Hong Kong  
Tel: (852) 2666 2288  
Fax: (852) 2664 0717

**CORPORATE WEBSITE**

[www.atnt.biz](http://www.atnt.biz)

**SHARE REGISTRARS AND TRANSFER OFFICES****PRINCIPAL REGISTRAR AND TRANSFER OFFICE:**

Appleby Global Corporate Services  
(Bermuda) Limited  
Canon's Court, 22 Victoria Street  
Po Box HM 1179  
Hamilton HM EX  
Bermuda

**HONG KONG BRANCH REGISTRAR AND TRANSFER OFFICE:**

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185

**LISTING INFORMATION**

Listing on the Hong Kong Stock Exchange  
(Main Board)  
Stock Short Name: Asia Tele-Net  
Stock Code: 679  
Board Lot Size: 5,000 shares

**PAYMENT OF INTERIM DIVIDEND (HK\$0.02 per Share)**

For determining eligibility to receive the interim dividend:

|                                                          |                                                            |
|----------------------------------------------------------|------------------------------------------------------------|
| Latest time to lodge transfer documents for registration | 4:30 p.m. on 16 September 2026                             |
| Closure of register of members                           | 17 September to 21 September 2026<br>(both days inclusive) |
| Record date                                              | 21 September 2026                                          |
| Payment date                                             | 15 October 2026                                            |

# MANAGEMENT DISCUSSION AND ANALYSIS

## RESULTS

During the period ended 30 June 2026 ("Period Under Review"), the Group recorded loss attributable to owners of the Company of approximately HK\$19,410,000 compared to the profit attributable to owners of the Company of approximately HK\$14,481,000 for the period ended 30 June 2025 ("Previous Period"). The decrease in net profit of the Group was mainly due to the off-setting effect of (i) the loss in fair value change of investments at fair value through profit or loss and (ii) decrease in loss on change in fair value of investment properties.

The basic loss per share for the Period Under Review was HK5.12 cents compared to the basic earnings per share of HK3.79 cents for the Previous Period.



# FINANCIAL REVIEW

## 1. Revenue

### **(a) Contract with customers**

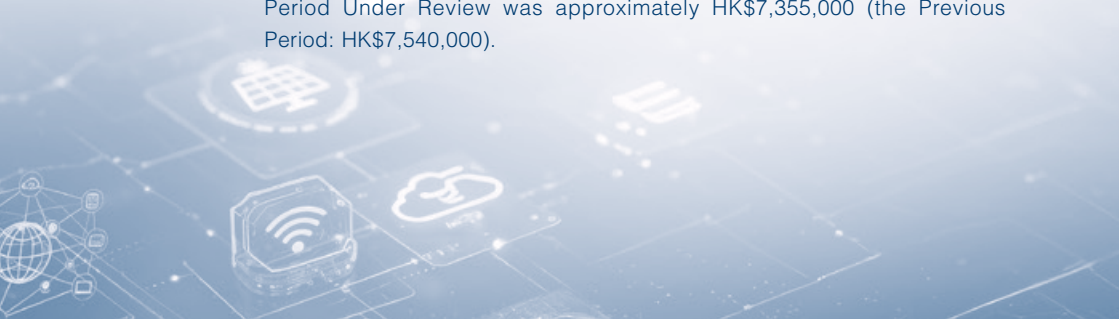
The revenue of contract with customers for the Period Under Review was approximately HK\$406,129,000 or 90.1% more than the Previous Period.

The revenue of selling electroplating equipment to printed circuit boards ("PCB") sector increased from approximately HK\$136,376,000 to approximately HK\$345,644,000, representing 153% increase. The revenue of selling electroplating equipment to surface finishing ("SF") sector decreased from approximately HK\$30,792,000 to approximately HK\$25,133,000, representing 18.4% decrease. Revenue generated from sales of spare parts and after sales services decreased from approximately HK\$46,461,000 to approximately HK\$35,352,000, representing 24% decrease.

In terms of business segment, approximately 93.2% of the equipment sales was generated from PCB sector (the Previous Period: 81.6%) and approximately 6.8% came from surface finishing sector (the Previous Period: 18.4%). In terms of the machines geographical installation base, the revenue composition during the Period Under Review was 65.2% machines in the PRC (the Previous Period: 52.4%), 15.1% in Taiwan (the Previous Period: 5.1%), 5.4% in France (the Previous Period: 5.0%), 4.2% in Thailand (the Previous Period: 11.8%), and 10.1% in rest of the world (the Previous Period: 25.7%).

### **(b) Rental income**

Rental income generated by the properties held by the Group during the Period Under Review was approximately HK\$7,355,000 (the Previous Period: HK\$7,540,000).



**(c) Interest income**

Interest income from investments in debt instruments was approximately HK\$4,800,000 (the Previous Period: HK\$8,223,000).

**(d) Dividend income**

Dividend income received from investments in Hong Kong listed securities was approximately HK\$5,623,000 (the Previous Period: HK\$7,552,000).

**2. Other gain or losses**

This mainly represented (a) Net change in unrealized fair value loss of investments at fair value through profit or loss of approximately HK\$28,138,000 (the Previous Period: gain of HK\$30,705,000) and (b) net exchange gain of approximately HK\$6,412,000 (the Previous Period: HK\$6,240,000).

**(a) Net change in unrealized fair value loss of investments at fair value through profit or loss was approximately HK\$28,138,000 (the Previous Period: gain of HK\$30,705,000)**

All investments at fair value through profit or loss were recorded at fair value as at 30 June 2026 and represented listed securities in Hong Kong. The loss of approximately HK\$28,138,000 represents fair value change of these investments, as a result of mark to market valuations as at the balance sheet date.



Below are information of the Group's investments at fair value through profit or loss as at 30 June 2026:

| Company Name/<br>Stock Code                                  | % of<br>Shareholding<br>as at<br>30 June<br>2026 | Fair value<br>change<br>30 June<br>2026<br>HK\$'000 | Fair value<br>as at<br>30 June<br>2026<br>HK\$'000 | % of Total<br>Assets of<br>the Group<br>as at<br>30 June<br>2026 | Fair value<br>as at<br>31 December<br>2025<br>HK\$'000 | % of Total<br>Assets of<br>the Group<br>as at<br>31 December<br>2025 |
|--------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------|
|                                                              |                                                  |                                                     |                                                    |                                                                  |                                                        |                                                                      |
| Shanghai Industrial Urban<br>Development Group Ltd.<br>(563) | 0.40%                                            | (1,807)                                             | 4,344                                              | 0.20%                                                            | 6,151                                                  | 0.30%                                                                |
| Q P Group Holdings Ltd.<br>(1412)                            | 3.24%                                            | (9,164)                                             | 18,106                                             | 0.83%                                                            | 26,989                                                 | 1.33%                                                                |
| Hysan Development<br>Company Ltd (14)                        | 0.07%                                            | (1,809)                                             | 12,555                                             | 0.57%                                                            | 14,364                                                 | 0.71%                                                                |
| SenseTime Group Inc. (20)                                    | 0.01%                                            | (3,302)                                             | 5,146                                              | 0.24%                                                            | 8,448                                                  | 0.41%                                                                |
| China Mobile Ltd. (941)                                      | 0.01%                                            | (11,100)                                            | 152,300                                            | 6.95%                                                            | 163,400                                                | 8.03%                                                                |
| China Construction Bank<br>Corporation (939)                 | 0.00%                                            | 380                                                 | 8,070                                              | 0.37%                                                            | 7,690                                                  | 0.38%                                                                |
| Agricultural Bank of<br>China Ltd. (1288)                    | 0.00%                                            | (440)                                               | 5,340                                              | 0.24%                                                            | 5,780                                                  | 0.28%                                                                |
| China Telecom Corporation<br>Ltd. (728)                      | 0.01%                                            | (46)                                                | 4,270                                              | 0.20%                                                            | –                                                      | –                                                                    |
| Others                                                       |                                                  | (850)                                               | 5,626                                              | 0.25%                                                            | 6,476                                                  | 0.32%                                                                |
| Total                                                        |                                                  | (28,138)                                            | 215,757                                            | 9.85%                                                            | 239,298                                                | 11.76%                                                               |

**(b) Net exchange gain of approximately HK\$6,412,000 (the Previous Period: HK\$6,240,000)**

The net exchange gain was mainly due to the exchange gain arising from period end revaluation of bank deposit and debt instruments which was denominated in RMB. During the Period Under Review, RMB was appreciated by approximately 4.0%.

### 3. Other income

This mainly represented (a) interest income from loans receivable and deposit placed with a broker of approximately HK\$916,000 (the Previous Period: HK\$812,000) (b) imputed interest income from Deferred Consideration of approximately HK\$10,020,000 (the Previous Period: HK\$8,593,000) and (c) Interest income from bank deposits was approximately HK\$4,363,000 (the Previous Period: HK\$2,971,000).

**(a) *Interest income from loans receivable and deposit placed with a broker***

This represented (i) interest income arising from loans receivable of approximately HK\$916,000 (the Previous Period: HK\$807,000) and (ii) interest received from deposits placed with a broker amounted to nil (the Previous Period: HK\$5,000).

*i) Interest arising from loans receivable*

During the Period Under Review, the Group has received interest income of approximately HK\$916,000 from loan receivables (the Previous Period: HK\$807,000).

Details of loan receivables are further disclosed below.

*ii) Interest received from deposit placed with a broker*

Interest income from deposit placed with KTFG as a broker was nil (the Previous Period: HK\$5,000).

**(b) *Imputed interest income from Deferred Consideration***

Please refer to note 9 of the financial information for more detailed explanation on the imputed interest income of approximately HK\$10,020,000 (the Previous Period: HK\$8,593,000).

**(c) *Interest income from bank deposits***

In the Period Under Review, interest income from bank deposits of approximately HK\$4,363,000 (the Previous Period: HK\$2,971,000).



#### 4. Selling and Distribution Costs

The selling and distribution costs represented exhibition and marketing expenses, product and public liability insurance cost and the respective personnel cost on the sales team for the electroplating equipment business segment. The costs for the Period Under Review was 5.1% lower than the Previous Period. It was primarily due to decrease in personnel related cost.

#### 5. Administrative expenses

The administrative expenses for the Period Under Review was 3.2% lower than the Previous Period. It was mainly due to decrease in personnel related cost.

As a benchmark, the average inflation rates in China and Hong Kong for first half 2026 were 1.0%<sup>1</sup> and 1.7%<sup>2</sup> respectively.

#### 6. Impairment losses under expected credit loss model, net

This represented (impairment losses) reversals of impairment losses under expected credit loss model for trade debtors, contract assets, other debtors, loans receivable, investments in debt instruments and Deferred Consideration, net of reversal as below:–

|                                 | Six months ended 30 June |          |
|---------------------------------|--------------------------|----------|
|                                 | 2026                     | 2025     |
|                                 | HK\$'000                 | HK\$'000 |
| Trade debtors                   | (3,470)                  | (218)    |
| Contract assets                 | (290)                    | 1,489    |
| Other debtors                   | 89                       | –        |
| Loans receivable                | 530                      | 95       |
| Investments in debt instruments | –                        | (1,816)  |
| Deferred Consideration          | (6,993)                  | (6,288)  |
|                                 | (10,134)                 | (6,738)  |

<sup>1</sup> Inflation rate in China is reported by the National Bureau of Statistics of China.

<sup>2</sup> Inflation rate in Hong Kong is reported by Census and Statistics Department of Hong Kong.

## 7. Loss on change in fair value of investment properties

As at 30 June 2026, the Group held titles of (i) certain retail shops and offices located at Shenzhen, the PRC, (ii) certain office units located in Hong Kong and (iii) certain car parks located in Hong Kong. They are collectively referred to as Investment Properties in this report.

During the Period Under Review, the Group incurred loss on change in fair value of investment properties of approximately HK\$29,563,000 (the Previous Period: HK\$52,999,000). This amount represented the difference between the fair value of investment properties as at 31 December 2025 and 30 June 2026 as calculated by an independent valuer.

## 8. Finance cost

This represented (a) interest on bank borrowings of HK\$432,000 (the Previous Period: HK\$471,000) and (b) the interest expenses on lease liabilities of approximately HK\$111,000 (the Previous Period: HK\$60,000).

The lease liability is treated as a borrowing, with its value increased as interest is recognised and decreased as lease payments are made.

## 9. Taxation

During the Period Under Review, the Group recorded an estimated tax credit of approximately HK\$5,813,000 (the Previous Period: tax charge of HK\$576,000) associated with Deferred Consideration.

The balance of approximately HK\$10,197,000 (the Previous Period: HK\$679,000) represented mainly taxes paid and to be paid by our wholly-owned subsidiaries in the PRC.

## 10. Deferred Consideration

Please refer to note 9 of the financial information for more detailed explanation.



## 11. Loans receivable

As at 30 June 2026, the Group's gross loan receivables amounted to approximately HK\$29,000,000 before impairment allowance. The loans bear interest at 5% per annum and are secured by properties and cash located in Hong Kong.

On 16 October 2025, the Group entered into a loan facility agreement ("Loan Facility Agreement") with Karl Thomson Financial Group Limited ("KTFG"). Mr. Lam Kwok Hing, an executive director and the ultimate controlling shareholder of the Company, and Mr. Nam Kwok Lun, an executive director of the Company, are the directors of KTFG. Pursuant to the Loan Facility Agreement, the Group provides an unsecured revolving loan facility of HK\$17,000,000 bearing interest at prime rate as announced from time to time by The Hong Kong and Shanghai Banking Corporation Limited for lending Hong Kong Dollars ("Prime Rate") for a term of two years commencing from the loan effective date and ending on 20 October 2027. Although Mr. Lam and Mr. Nam are directors of KTFG, neither of them is interested in any shares of KTFG or its holding companies. As such, KTFG is not a connected person of the Company under Chapter 14A.07 of Listing Rules.

The Loan Facility Agreement remained available during the Period Under Review. However, there was no loan outstanding and due by KTFG as at 30 June 2026.

To the best of the Director's knowledge, information and belief having made all reasonable enquiry, except for the Loan Facility Agreement, all other borrowers are independent third parties.



The carrying amount for each respective period is shown below:–

|                                                    | As at<br>30/06/2026<br>HK\$'000 | As at<br>31/12/2025<br>HK\$'000 |
|----------------------------------------------------|---------------------------------|---------------------------------|
| Principal outstanding repayable<br>within one year | 15,000                          | 17,070                          |
| Principal outstanding repayable<br>after one year  | 14,000                          | 19,000                          |
| Less: impairment loss allowance                    | (2,660)                         | (3,191)                         |
| Net carrying amount                                | 26,340                          | 32,879                          |
| Analysed for reporting purpose as:                 |                                 |                                 |
| Current                                            | 13,575                          | 15,457                          |
| Non-current                                        | 12,765                          | 17,422                          |
|                                                    | 26,340                          | 32,879                          |



Loan receivables, being one of the financial assets held by the Group, are subject to impairment review at each reporting date under HKFRS 9. When determining the impairment percentage, the Company will make reference to the default rates research report issued by Moody. The impairment losses made as of 30 June 2026 was approximately HK\$2,660,000 which on average was 9.2% to the outstanding loan amount.

The Company is always in the process of identifying suitable investments opportunity with steady income stream to pursue for the surplus cash resource on hand. Currently, the prevailing interest rate offered by The Hongkong and Shanghai Banking Corporation Limited for a 12 months a Hong Kong dollar fixed deposit savings is only 2.51% per annum. Loans granted to the borrowers can generate an interest rate at 5%. By granting the loans to the borrowers, the Company could enhance the return on investment of its surplus cash resources.

The Company seeks to maintain a low-risk appetite and a balance between risk and return in a rational, stable and prudent manner. The Lender does not carry out large scale promotions and will not provide loan through the use of any intermediaries. The Group is highly selective of clients and only lends to those clients with good reference. Prior to entering into any loan agreement, the Group will take into consideration whether the borrower has recurring income, available assets as securities and results of court debt search reports. During the Period Under Review, there was no write-off of any loan receivables.



## 12. Investments in debt instruments

Investments in debt instruments made by the Group as of 30 June 2026 are set out below:

| No.                   | Issuer                                     | Bond<br>currency | Coupon<br>rate | Maturity<br>date | Investment<br>cost as at<br>30/6/2026<br><i>HKD'000</i> | Bond<br>credit<br>rating<br>S&P's | Bond<br>credit<br>rating<br>Moody's | % to<br>Group's<br>total<br>assets<br>(note) |
|-----------------------|--------------------------------------------|------------------|----------------|------------------|---------------------------------------------------------|-----------------------------------|-------------------------------------|----------------------------------------------|
| <b>Bonds</b>          |                                            |                  |                |                  |                                                         |                                   |                                     |                                              |
| 1                     | Sun Hung Kai Properties Capital Market Ltd | RMB              | 3.20%          | 14/8/2027        | 5,490                                                   | NR                                | NR                                  | 0.3%                                         |
| 2                     | Shanghai Commercial Bank Ltd               | RMB              | 6.38%          | 28/2/2033        | 1,929                                                   | NR                                | A1                                  | 0.1%                                         |
| 3                     | HSBC Holdings PLC                          | USD              | 8.00%          | Perpetual        | 1,552                                                   | NR                                | NR                                  | 0.1%                                         |
| 4                     | HSBC Holdings PLC                          | USD              | 5.89%          | 14/8/2027        | 78,667                                                  | NR                                | A3                                  | 3.6%                                         |
| 5                     | CLP Power HK Financing Ltd                 | USD              | 2.13%          | 30/6/2030        | 20,840                                                  | NR                                | A1                                  | 1.0%                                         |
| 6                     | HK Mortgage Corp Ltd                       | USD              | 4.13%          | 18/10/2027       | 1,549                                                   | AA+                               | Aa3                                 | 0.1%                                         |
| 7                     | Swire Properties MTN Fin Ltd               | USD              | 3.50%          | 10/1/2028        | 7,510                                                   | NR                                | A2                                  | 0.3%                                         |
| 8                     | CK Hutchison Int'l (24) (II) Ltd           | USD              | 4.38%          | 13/3/2030        | 15,306                                                  | A                                 | A2                                  | 0.7%                                         |
| 9                     | US Treasury                                | USD              | 4.38%          | 31/12/2029       | 27,080                                                  | AA+                               | Aaa                                 | 1.2%                                         |
| Total investment cost |                                            |                  |                |                  | 159,923                                                 |                                   |                                     |                                              |

*Note:* None of these investments represented more than 5% of the Group's total assets as at 30 June 2026.

The carrying amount for each respective period is shown below:–

|                                    | <b>As at<br/>30/6/2026<br/>HK\$'000</b> | As at<br>31/12/2025<br>HK\$'000 |
|------------------------------------|-----------------------------------------|---------------------------------|
| Investment cost                    | <b>159,923</b>                          | 263,851                         |
| Less impairment loss allowance     | –                                       | –                               |
| Net carrying amount                | <b>159,923</b>                          | 263,851                         |
| Analysed for reporting purpose as: |                                         |                                 |
| Current                            | –                                       | 47,587                          |
| Non-current                        | <b>159,923</b>                          | 216,264                         |
|                                    | <b>159,923</b>                          | 263,851                         |

### 13. Investments at fair value through profit or loss

The Group's investment strategy is to pursue a balanced approach in exploring favourable short-term and long-term investments to, including but not limited to, (a) build a diversified portfolio which can deliver steady income to the Group; (b) offer potential capital gain and (c) invest in sector(s) with long term potential growth. The Group will strive to deliver a diversified investment portfolio which offers potential growth while maintaining a relatively prudent capital management approach.

As at 30 June 2026, the Group held 21 listed equity securities in Hong Kong with the fair value of HK\$215,757,000.

| Company Name/<br>Stock Code | Note | Investment<br>Cost<br><i>HK\$'000</i> | Fair value                                  | % as<br>compared to<br>the Group's<br>total assets | Dividend<br>received<br><i>HK\$'000</i> | Fair value<br>change<br><i>HK\$'000</i> | Fair value                             |
|-----------------------------|------|---------------------------------------|---------------------------------------------|----------------------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------------------|
|                             |      |                                       | as at<br>30 June<br>2026<br><i>HK\$'000</i> | as at<br>30 June<br>2026                           |                                         |                                         | 31 December<br>2025<br><i>HK\$'000</i> |
| China Mobile Ltd. (941)     | (a)  | 102,739                               | 152,300                                     | 6.95%                                              | 4,536                                   | (11,100)                                | 163,400                                |
| Others                      | (b)  | 115,597                               | 63,457                                      | 2.90%                                              | 1,087                                   | (17,038)                                | 75,898                                 |
| Total                       |      | 218,336                               | 215,757                                     | 9.85%                                              | 5,623                                   | (28,138)                                | 239,298                                |

*Notes:*

- (a) The principal business of the investee, China Mobile Limited ("China Mobile"), is the provision of communication and information services. As of 30 June 2026, the Group held 2,000,000 shares in China Mobile which represented approximately 0.01% of the total issued shares of China Mobile and approximately 6.95% of the Group's total assets. During the Period Under Review, the fair value change of approximately HK\$11,100,000 represented unrealised fair value loss during the Period Under Review. The Group received a dividend of approximately HK\$4,536,000 during the Period Under Review. China Mobile's revenue has grown steadily from approximately RMB848 billion in year 2021 to RMB1,050 billion in year 2025. For each financial year in last five years, its net profit after taxes was over RMB100 billion. Solid financial performance has demonstrated the strength of its management team. The dividend payout ratio was 75% in year 2025. The Board believes that the investment in China Mobile will bring steady income to the Group.
- (b) None of these investments represented more than 5% of the Group's total assets as at 30 June 2026.



## 14. Contract assets

The Group is entitled to invoice customers for construction of custom-built electroplating machinery and other industrial machinery based on achieving a series of performance-related milestones. The contract assets represent the amount which the Group is entitled to claim against the customers for the work completed but not yet billed. They are not billed because the agreed performance-related milestones are still under processed. When a performance-related milestone of a certain project is completed, such related contract assets will be transferred to trade receivables.

## 15. Contract liabilities

From time to time, customers will pay to the Group various performance related milestone payments in accordance with accepted purchase orders or agreed contracts. Contract liabilities represent the Group's obligations to transfer goods or services to customers for which the Group has already received consideration from the customers.

## 16. Deferred tax under non-current liabilities

The Group has recorded a deferred taxation of approximately HK\$24,320,000 (31 December 2025: HK\$29,214,000), as estimated taxation expenses in relation to the estimated recoverable amount from the Counterparty.

The balance of approximately HK\$2,605,000 represented deferred tax liabilities recognized for accelerated tax depreciation of approximately HK\$245,000, credit of approximately HK\$392,000 for impairment losses on assets, and withholding tax provision for dividend payable by a PRC subsidiary of approximately HK\$2,752,000.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW BY SEGMENT

The Group operates three segments, they are electroplating equipment, property investment and treasury management.

As a quick review of each segment's revenue and results:–

| Unaudited six months ended 30 June 2026 |                                              |                                         |                                         |                        |
|-----------------------------------------|----------------------------------------------|-----------------------------------------|-----------------------------------------|------------------------|
|                                         | Electroplating<br>Equipment<br><i>HK\$'m</i> | Property<br>Investment<br><i>HK\$'m</i> | Treasury<br>Management<br><i>HK\$'m</i> | Total<br><i>HK\$'m</i> |
| Segment revenue                         |                                              |                                         |                                         |                        |
| – contract works*                       | 370.8                                        |                                         |                                         | 370.8                  |
| – after sales revenue                   | 35.3                                         |                                         |                                         | 35.3                   |
| – rental income                         |                                              | 7.4                                     |                                         | 7.4                    |
| – bond interest income                  |                                              |                                         | 4.8                                     | 4.8                    |
| – dividend income                       |                                              |                                         | 5.6                                     | 5.6                    |
|                                         | 406.1                                        | 7.4                                     | 10.4                                    | 423.9                  |
| Segment cost                            |                                              |                                         |                                         |                        |
| – direct segment (cost) or gain         | (373.7)                                      | (3.8)                                   | 6.0                                     | (371.5)                |
| – impairment loss in fair value         |                                              | (29.6)                                  | (28.1)                                  | (57.7)                 |
| – impairment loss in ECL                | (3.8)                                        | (6.9)                                   |                                         | (10.7)                 |
| – deferred consideration related        |                                              | 10.0                                    |                                         | 10.0                   |
| – bank interest income earned           |                                              | 0.4                                     | 3.9                                     | 4.3                    |
| Segment profit/(loss)**                 | 28.6                                         | (22.5)                                  | (7.8)                                   | (1.7)                  |
| Central administration cost             |                                              |                                         |                                         | (13.3)                 |
|                                         |                                              |                                         |                                         | (15.0)                 |

\* Split of revenue from contract works between PCB and SF sectors were HK\$345.7 million and HK\$25.1 million.

\*\* Segment profit/(loss) is the net profit/(loss) before taxation for that segment. It is not the gross profit.

# ELECTROPLATING EQUIPMENT (UNDER THE TRADE NAME OF “PAL”) SEGMENT

## Electroplating Equipment-Printed Circuit Boards (“PCB”) Sector

This sector is traded through our subsidiary Process Automation International Ltd (“PAL”).

During the Period Under Review, the revenue of selling electroplating equipment to PCB sector increased from HK\$136,376,000 in Previous Period to HK\$345,644,000, representing 153% rise.

### *Industry overview*

Major PCB manufacturers recorded surge in revenue in first half of 2026. The revenue increase was driven mainly by high-performance artificial intelligence (AI) infrastructure demand and Modified Semi-Additive Process (mSAP) technology used for next-generation networking and optical modules.

### *Market Catalyst*

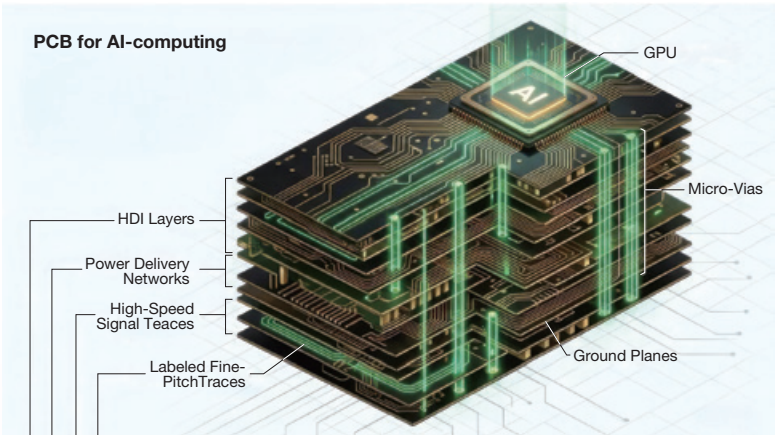
#### *(1) The explosive production of high performance Graphics Processing Units (GPU)*

The explosive production of high-performance GPUs for AI and high-performance computing (HPC) has completely rewritten the technical requirements for the PCB supply chain. This boom is shifting demand toward High-Density Interconnect (HDI) boards, high-layer count substrates, and specifically, Modified Semi-Additive Process (mSAP) technology.

Traditional data center servers historically relied on standard 12-to-16-layer PCBs. Modern GPU board groups and AI server motherboards have leaped to 20 to 40+ layers to manage hyper-complex routing and power distribution. More layer means more electroplating and hence increased revenue for not just PCB manufacturers but also electroplating equipment provider like us, PAL.

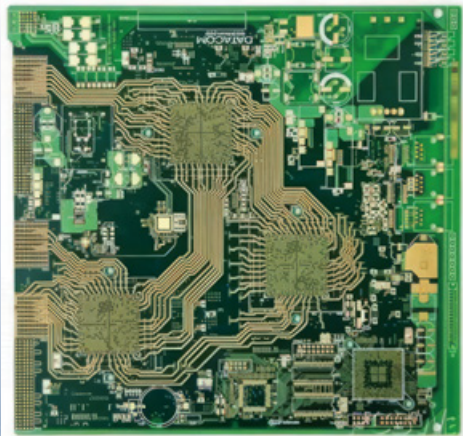


*illustration 1 – More PCB layers and interconnections increase the number of electroplating steps and the need for electroplating equipment (source: opop.tw)*



Apart from increased layer count, the AI hardware density requirements have also changed. The current AI hardware market requests to put more copper lines on a PCB within same space. There are reports showing that the PCB content value of an AI server is nearly ten times higher than a conventional server. To meet this new requirement, one has to adopt mSAP process. mSAP allows for stacked microvias but laser drilling is required to fit massive routing densities into tight AI accelerator board layouts.

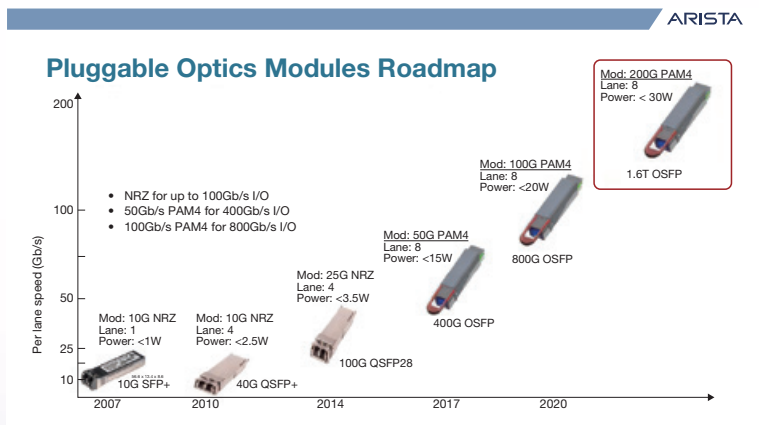
*illustration 2 – Surface of a typical HDI board showing how packed the copper lines are (source : www.pcbway.com)*



## (2) The Evolution of Optical Modules

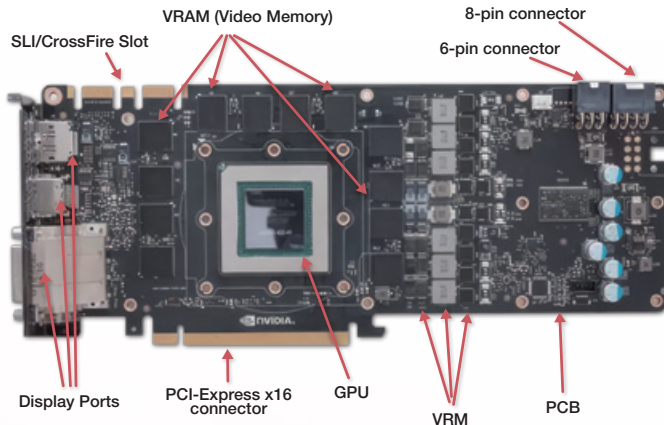
In an era dominated by AI, cloud computing, and big data, the demand for high-performance data transmission has never been greater. The core device for high speed data transmission is optical modules – an ingenious devices that convert electrical signals into optical signals, enabling lightning-fast data communication over fiber optic cables. As AI models grow more complex, traditional copper-based interconnects are unable to keep pace with the bandwidth and latency requirements of modern applications and hence the birth of optical modules. Optical modules can leverage the power of light to transmit data efficiently over long distances, driving the next generation of technological innovation.

*illustration 3 Pluggable Optics Modules Roadmap (source: www.arista.com)*



Products of Optical modules are defined by its speed. Just a decade ago, 100G (100 gigabits per second) modules were the pinnacle of innovation, powering early cloud computing infrastructures. Today, 400G and 800G have become the baseline for hyperscale data centers, supporting the bandwidth needs of AI training and real-time analytics. But the industry isn't stopping there—1.6T (1.6 terabits per second) is on the road of volume production, and 3.2T is still at prototypes stage. The exponential growth is simply a direct response to the data demands of AI and big data. Training a large language model, for instance, requires moving petabytes of data between GPUs, memory, and storage in mere seconds. Traditional interconnects simply cannot keep up.

*illustration 4 – Key component of a GPU PCB : (a) GPU Chip - The brain / (b) VRAM (Video RAM) - The temporary memory of the GPU / (c) Voltage Regulators (VRMs): The power middleman / (d) PCI Express Interface: The link between GPU and motherboard (source: www.pcbasic.com)*



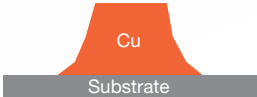
While 400G and 800G can still use traditional tenting (or subtractive) process, a 1.6T optical module requires mSAP (Modified Semi-Additive Process) for its internal printed circuit boards (or called paddle cards). It is because extreme 200 Gbps-per-lane signaling demands ultra-fine circuit lines, precise impedance control, and low signal loss that traditional subtractive process cannot achieve. There are many advantages of using mSAP but two obvious ones are

- (a) Skin Effect Reduction: mSAP creates copper traces with nearly vertical sidewalls, which minimize high-frequency signal loss caused by the skin effect.
- (b) Miniaturization and Layout Density: mSAP achieves substrate-level, ultra-fine line widths and spacing necessary to pack dense electrical channels into a tiny pluggable module.



By applying mSAP instead of traditional tenting (or subtractive) process, the shape and the width of the traces (i.e. the copper lines sitting on a PCB) will be much different.

*illustration 5 – Compare the end results by using two different electroplating process*

| Items                         | Traditional Subtractive Process                                                   | mSAP<br>(Modified Semi-Additive Process)<br>Process                                |
|-------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| PCB Circuit Line/Space        | > 50/50 $\mu\text{m}$                                                             | 30/30 $\mu\text{m}$ , 25/25 $\mu\text{m}$ , 20/20 $\mu\text{m}$                    |
| Circuit Line Shape            | Poor Shape (Trapezoidal due to side etching)                                      | Good Shape (More vertical sidewalls and better trace shape)                        |
|                               |  |  |
| Yield Sensitivity             | More tolerant for standard designs                                                | More sensitive to machine design and process variation                             |
| Plating Equipment Requirement | Standard PCB equipment                                                            | More advanced plating equipment                                                    |
| Cost                          | Lower cost                                                                        | Higher cost                                                                        |

*PAL'S competitive advantages*

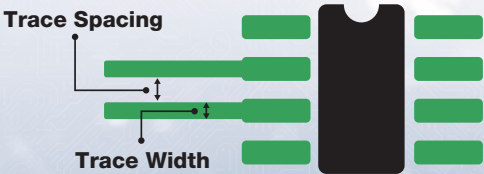
Then comes the next question, what does this matter to PAL?

PAL, having over 40 years of solid experience in designing advanced electroplating equipment, has wide range of products to meet various applications. PAL was the first mover to deliver a mSAP electroplating machine called Smart VCP (SVCP) ten years ago by collaborating with a renowned smart phone brand in Americas. PAL has successfully achieved line width and line spacing of 30/30 micron for their Substrate-Like PCB (SLP) in year 2016/2017. Our only competitor is a Japanese equipment provider.

In the world of electroplating equipment, there are two camps – horizontal and vertical plating. In mSAP, a dry film photoresist is laminated and patterned before the electroplating step to define the fine lines. As a horizontal plating system depends on physical rollers and wheels to drive the board forward, this rolling movement will damage the dry film photoresist. As a result, horizontal system may only be used in pre-plating or post-plating processes but definitely not the electroplating stage. All electroplating equipment provided by PAL are vertical and could be designed to meet “contact-free” requirement.

With ten years' evolution, we have further improved our mSAP process capability and our prominent product Smart VCP (SVCP) can now achieve Line Width/Line Space of 20 micron/20 micron which is well received by our customers.

*illustration 6 – What is line width and line space  
(source: PCB Runner)*



Further, our yield rates are significantly better when compared to other traditional plating equipment. It is because PAL's unique Smart VCP can offer a precise current control on each and both side of panel, and hence offer excellent plating uniformity and to achieve a high yield production of mSAP process mentioned above. When modern GPU boards and AI server motherboards have leaped to 20 to 40+ layers, the cost of making such board has therefore surged high. The yield rate becomes a critical factor to determine the profit level of PCB manufacturers. We have learnt from some of our customers that our yield rate could be as high as 99.8+% of copper plating for SVCP.

As aforementioned, the explosive production of high-performance GPUs is shifting demand toward High-Density Interconnect (HDI) boards which normally requires a very high aspect ratio plating capability due to high-layer counts. Our pulse driven gate type equipment will well suit this requirement. This machine type will offer excellent throwing power which helps to distribute copper more evenly between the substrate surface and deep recessed structures like blind vias and high-aspect-ratio through-holes.

#### *What we have achieved in year 2026*

As at 26 August 2026, the date of announcement of 2026 interim results, order value for shipments to be made in second half of year 2026 are about HK\$746 million. Together with the actual shipments made in first half, total order value for the full year of 2026 will hit approximately HK\$1,150 million (In year 2025, it was about HK\$356.6 million). In addition, order value for shipments to be made in year 2027 shipment are about HK\$730 million. Most of these lines are for the production of 1.6T Optical modules or HDI boards for AI applications. Unless there is any drastic change in market sentiments or withdrawal of investment plan, based on potential orders which are under discussion now, we expect total order value for a full year 2027 may well exceed that of year 2026.



Order value is not the same as the revenue to be reported in our financial statements. Revenue is recognised in accordance with the Group's accounting policy, which remains unchanged from that disclosed in the 2025 Annual Report. For each order or contract, the Group will recognize an appropriate proportion of contract revenue based on our progress towards satisfaction of the relevant performance obligations as stipulated in such order or contract. In addition, scheduled shipment dates may be different to actual shipment date as it depends on external factors such as the readiness of customer's site.

To meet the surge in demands, we have already double up our production capacity and are ready to ship 80-100 lines per year. Based on our potential orders on hands, we are in the process of further negotiating with our upstream suppliers and sub-contractors to see if they could further increase their production capability to meet our production planning. Our target is to further increase our production capacity by 50% and be able to build at least 100-150 lines in year 2027.

It is our strategic plan to gradually shift from building everything in-house to sub-contracting non-core non-confidential parts to third parties using a tiered structure. Individual components or independent segment, for example, tanks or framework, are built by a number of reliable contractors who are specialized in certain skill set with proven workmanship. Our contractors locate in not just China but also in various countries such Mexico, European countries, Thailand, Taiwan. This is to meet certain local requirements if the installation site is located in overseas. We have a comprehensive and rigorous contractor selection process as well as a stringent quality management system to ensure products are built to our required specifications. We keep high-value proprietary tasks like branding, software, critical component building, project management, commissioning and product development internally. We stand behind all the products we provide and product quality is well assured. As we run a tiered structure with a wide enough number of contractors and collaborators, we could maintain a scalable and flexible production capacity to meet the ever-changing market demands. This strategic plan to keep all core competence while maintaining a less-heavy organizational structure was started seven years ago. All are working well and we are able to honor every order on our way.



In terms of cost of goods sold, we did meet with the challenges of increased material cost and labour cost. The general overhead is also expected to further increase as we plan to hire more staff in order to be commensurate with the expanded business volume.

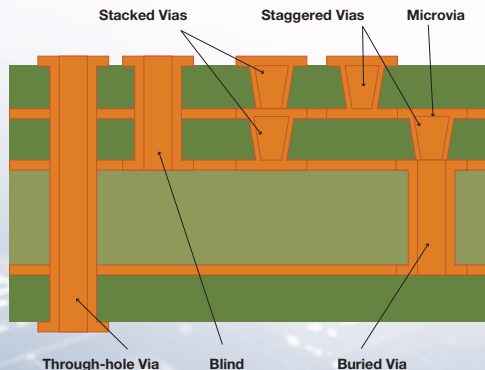
#### *Product development*

Our next mission is to apply Semi-Additive Process (SAP) by using our SVCP and to enter the IC substrates market. PAL already has a proven case in 2024 to achieve Line Width/Line Spacing of 10/10  $\mu\text{m}$ . Our target is to lower the Line Width/Line Spacing by half.

Having discussed the concept for a few years, we believe glass substrates or glass PCB is close to production ready in these two years. PAL is working with a renowned chemical firm to develop Through-Glass Via (TGV) technology and related process. Compared with traditional woven fiberglass cloth which is bound with an epoxy resin, glass substrates or glass PCB offer significantly higher thermal stability, near-zero signal distortion at high frequencies and ultra-flat surfaces for fine-pitch components. Our task is to fill those microscopic holes, which are sitting on glass PCB, with metal to route electrical signals.

We also plan to develop a pulse driven SVCP to further improve pattern plating distribution, allow a higher plating current density and hence to achieve a higher production capacity. This product targets for new PCB circuitry design features such as Through Hole Filling (THF or called X-via Filling) and Stacked Via Filling.

*illustration 7 – Types of vias in a PCB  
(source: [www.protoexpress.com](http://www.protoexpress.com))*



## Electroplating Equipment-Surface Finishing (“SF”) Sector

This sector is traded through our subsidiary PAL Surface Treatment Systems Ltd (“PSTS”).

The revenue of SF sector has decreased by 18.4% from approximately HK\$30,792,000 in the Previous Period to approximately HK\$25,133,000 for the Period Under Review.

The revenue of SF sector, for past few years, was mainly streamed from multinational companies selling automotive parts.

As mentioned in our interim and annual reports published before, electroplating in the automotive industry has declined in recent years mainly due to stricter environmental regulations, sustainability pressures, and the rise of alternative coating technologies such as PVD (Physical Vapor Deposition), which offer better adaptability for modern EV designs and greener production processes.

We expect revenue of SF sector in 2026 will experience a drop.



## Outlook of Electroplating Equipment Segment

According to a preliminary report released by IDC, worldwide smartphone shipments decreased by 6.7% year over year in the second quarter of 2026 at shipment volume of approximately 277.5 million units.

### Top 5 Smartphone Companies, Worldwide Shipments, Market Share, and Year-Over-Year Growth, Q2 2026 (shipments in millions of units)

| Company | 2Q 2026<br>Shipment<br>Volumes | 2Q 2026<br>Market<br>Share | 2Q 2025<br>Shipment<br>Volumes | 2Q 2025<br>Market<br>Share | Year-<br>Over-Year<br>Change |
|---------|--------------------------------|----------------------------|--------------------------------|----------------------------|------------------------------|
| Samsung | 62.7                           | 22.6%                      | 58.0                           | 19.5%                      | 8.1%                         |
| Apple   | 55.8                           | 20.1%                      | 48.4                           | 16.3%                      | 15.3%                        |
| Xiaomi  | 31.2                           | 11.2%                      | 42.4                           | 14.2%                      | -26.3%                       |
| OPPO    | 28.8                           | 10.4%                      | 34.9                           | 11.7%                      | -17.5%                       |
| vivo    | 21.2                           | 7.6%                       | 26.3                           | 8.9%                       | -19.4%                       |
| Others  | 77.8                           | 28.0%                      | 87.4                           | 29.4%                      | -11.0%                       |
| Total   | 277.5                          | 100.0%                     | 297.4                          | 100.0%                     | -6.7%                        |

*Due to rounding, some figures may not add up precisely to the totals shown*

Source: IDC Worldwide Quarterly Mobile Phone Tracker, July 13, 2026

This downturn is driven by a severe global shortage of memory chip as suppliers redirect manufacturing capacity toward AI data centers and AI related products. Most of our customers are first tier PCB manufacturers. Their product range and market segment are wide enough to be not affected. As far as we are aware, some of our customers did allocate more production capacity for AI related PCB and optical module.

In early August, Goldman Sachs revised upwards its forecasts for the global printed circuit board (PCB) markets, particularly in relation to AI servers. The firm predicts that the global AI server PCB market will expand to \$37.5 billion by 2027, a 38% increase from previous estimates.

#### Global PCB total addressable market (TAM) revision

| Total PCB TAM (US\$m) | 2025  | 2026<br>(Expected) | 2027<br>(Expected) | 2028<br>(Expected) |
|-----------------------|-------|--------------------|--------------------|--------------------|
| New                   |       |                    |                    |                    |
| Total                 | 4,981 | 13,560             | 37,529             | 83,645             |
| GPU PCB TAM           | 2,247 | 4,728              | 18,803             | 42,568             |
| ASIC PCB TAM          | 2,734 | 8,832              | 18,726             | 41,077             |
| Old                   |       |                    |                    |                    |
| Total                 | 4,706 | 10,017             | 27,122             | —                  |
| GPU PCB TAM           | 2,242 | 4,493              | 15,887             | —                  |
| ASIC PCB TAM          | 2,463 | 5,524              | 11,235             | —                  |
| Change                |       |                    |                    |                    |
| Total                 | 6%    | 35%                | 38%                | —                  |
| GPU PCB TAM           | 0%    | 5%                 | 18%                | —                  |
| ASIC PCB TAM          | 11%   | 60%                | 67%                | —                  |

Source: Company data, Goldman Sachs Global Investment Research

With this backdrop, we expect the demand of mSAP process equipment and AI related HDI boards will remain high. We are optimistic with the growth of our electroplating equipment segment.



## PROPERTY INVESTMENT SEGMENT

Investment properties held as at 30 June 2026:–

| City      | Property type | GFA (sq.m) | Occupancy rate (%) |               |
|-----------|---------------|------------|--------------------|---------------|
|           |               |            | at 30/6/2026       | at 31/12/2025 |
| Shenzhen  | Retail shops  | 3,493      | <b>30%</b>         | 19%           |
| Shenzhen  | Office        | 12,720     | <b>44%</b>         | 56%           |
| Hong Kong | Office        | 1,788      | <b>100%</b>        | 100%          |
| Hong Kong | Car parks     | NA         | <b>83%</b>         | 100%          |

The occupancy rate is calculated based on lease agreements entered and are still subsisting on or before 30 June 2026.

During the Period Under Review, the Group has recorded rental income of approximately HK\$7,355,000 (the Previous Period: HK\$7,540,000). The fair value of the underlying investment properties held as of 30 June 2026 was approximately HK\$576,857,000 (31 December 2025: HK\$587,873,000).

For the Period Under Review, the Group has recorded a loss on change in fair value of investment properties for approximately HK\$29.6 million, under which approximately HK\$30.1 million drop was attributable to the investment properties located in China and approximately HK\$0.5 million rise was attributable to the investment properties located in Hong Kong.

In the first half of 2026, China's commercial property market faced persistent high vacancy rates and oversupply in the office sector, while prime retail and luxury shopping spaces showed signs of localized resilience.

The market value of Shenzhen offices continues to drop as the fundamental issue remains unchanged. We still see continuous supply of new offices while demand has not changed much.



Hong Kong's commercial property market showed an uneven recovery in the first half of 2026, with central business district such Central and Admiralty led the rebound with strong leasing momentum, vacancy rates in non-core areas remain high.

We expect the sluggish commercial property market condition in both China and Hong Kong will drag on for a couple of years. Major analysts expect a slow, multi-year recovery.

## TREASURY MANAGEMENT SEGMENT

Treasury management refers to investments in various financial assets, including but not limited to, debt instrument, listed stock and deposit products.

### Investment policies and objectives

The acquisition of the bonds or debt instruments forms part of the Group's ordinary course of treasury activities in managing its financial assets. The bonds or debt instruments offer a better return when compared to fixed-term deposit interest rates offered by commercial banks in Hong Kong. Primary objective of these investments is to collect the contractual interest due and principal upon maturity. At time of investment, the Group will consider the acquisition prices, the coupon rate, the maturity date and the background of the issuers.

The Group's investment strategy in listed stock is to pursue a balanced approach in exploring favourable short-term and long-term investments to, including but not limited to, (a) build a diversified portfolio which can deliver steady income to the Group; (b) offer potential capital gain and (c) invest in sector(s) with long term potential growth. The Group will strive to deliver a diversified investment portfolio which offers potential growth while maintaining a relatively prudent capital management approach.



## Risk management and control measures

### 1. *Concentration risk*

Concentration risk is the potential for significant losses in a portfolio due to an over-reliance on a single asset, sector, or market. The Group has a policy that investment in one single investee company (or investee group) will not exceed 20% or more of the Group's total assets and investment in one sector or market will not exceed 50% of the Group's total assets. As the market is ever changing, if there is a need to change these thresholds in the future, a board meeting will be convened to consider the then market situation and financial positions of the Group. Disclosure shall be made in its periodic financial reports.

### 2. *Counterparty risk or Issuer's risk*

Issuer risk is the specific risk that an issuer of a debt security (such as a bond or a certificate of deposit) will default on its payment obligations. At time of investment, the Group will consider the credit rating of the issuer or the financial product itself. When such issuer does not have any credit rating, the Group will evaluate their years of establishment, cash generating capabilities or whether there is any corporate guarantee offered by its parent company. Normally, only investee company (or investee group) with at least more than 10 years of establishment history and its financial statement (or the financial statement of the guarantor) demonstrates positive cash generating capabilities will be considered.

### 3. *Liquidity risk*

To avoid the risk that the Group cannot meet its short-term financial obligations when they are due, the Group will continuously:

- monitoring its cash flows by performing cashflow forecast,
- managing cash reserves by ensuring enough liquid assets are on hands, and
- maintaining access to funding by establishing facilities with banks.

#### **4. *Permissible and prohibited investments***

The Group will only invest in financial products which are regulated or issued by licensed financial institutes. Preference will be given to financial product which has a ready secondary market which will allow the Group to dispose such financial products when necessary. Prohibited investments include financial products which are not regulated or the underlying assets are located in sanctioned jurisdictions.

### **Approval oversight and mechanism**

As disclosed in its 2024 Interim Report, with the growing revenue contribution from property investment, investment in debts instrument and listed shares, the Board has decided to report its business activities in three segments starting from year 2024. They are electroplating equipment, property investment and treasury management. An investment committee was established in April 2024 to review the Group's investments on regular basis.

#### **1. *Board***

The Board holds the ultimate authority over investment decisions for the Group as a whole. It has delegated certain powers to Investment Committee.

#### **2. *Investment committee***

The terms of reference of the Investment Committee are available on the websites of the Company and the Stock Exchange. The principal functions of the Investment Committee include:

- To review and recommend investment strategies, risk appetite and capital allocations to the Board
- To review, evaluate and approval investment in financial products as far as treasury management segment is concerned
- To assess and determine whether the investment is in the interests of the Company and the shareholders as a whole



- To monitor such investment activities by (a) reviewing reports on investment portfolio, (b) making reference to and reviewing the appropriateness of benchmarks and (c) reviewing the Group's liquidity and funding arrangements

The approval limit of Investment Committee is limited to major transactions as defined in Listing Rules and must not be a connected transaction. If the size of the investment exceeds the size tests of a major transaction, approval must be obtained from the Board before proceeding.

The Investment Committee will meet twice a year.

### **3. Finance Department**

The responsibilities of the Finance Department are more on daily operations and will be:-

- To short-list relevant products for members of investment committee to consider, based on the investment strategies and risk appetite set out by the Investment Committee
- To oversee the execution of acquisition when a financial product is selected by members of investment committee
- To maintain and update the investment portfolio file
- To prepare cashflow forecast
- To prepare the review reports for investment committee meetings
- To set up and maintain banking facilities
- To pass relevant information to company secretarial team before the transaction



#### 4. *Company Secretarial Team*

The Company Secretarial Team is mainly responsible for compliance issues. They are responsible for calculating size tests, making relevant disclosure announcement and submitting relevant forms to Stock Exchange in accordance with Listing Rules. If the transaction size falls outside the authority of Investment Committee, a board meeting will be convened to obtain necessary approval for the transaction before proceeding.

### **Investments in listed shares**

The Group's investment strategy is to pursue a balanced approach in exploring favourable short-term and long-term investments to, including but not limited to, (a) build a diversified portfolio which can deliver steady income to the Group; (b) offer potential capital gain and (c) invest in sector(s) with long term potential growth. The Group will strive to deliver a diversified investment portfolio which offers potential growth while maintaining a relatively prudent capital management approach.

As at 30 June 2026 the fair value of the investments in listed shares was approximately HK\$215,757,000 (31 December 2025: HK\$239,298,000).

In late June, the Hong Kong stock market has experienced a significant drop and Hang Seng Index was decreased from 25,630 on 31 December 2025 to 22,881 on 30 June 2026, a depreciation of 11%. As a result, the Group recorded a fair value loss of approximately HK\$28.1 million over listed shares held for the Period Under Review as compared to a fair value gain of HK\$30.7 million in Previous Period.

Shareholders may refer to the table listed in point (13) of the management discussion and analysis section under the heading "Investment at fair value through profit or loss" for details. During the Period Under Review, the Group has received dividend income of approximately HK\$5,623,000 (the Previous Period: HK\$7,552,000) from such investments.

The Group is holding a diversified portfolio which mainly composes of investees who would offer steady dividend payout. Shareholders are advised to refer to the table listed in point (2) of the management discussion and analysis section under the heading "Other gain or losses" for details.



## Investments in debt instruments

As at 30 June 2026, the carrying value of the investments in debt instruments was approximately HK\$159,923,000 (31 December 2025: HK\$263,851,000). During the Period Under Review, the Group has received interest income of approximately HK\$4,800,000 (the Previous Period: HK\$8,223,000) from such investments.

The Group is holding a diversified bond portfolio and most of them are investment grade bonds with a relatively low default risk. The bonds offer a better return when compared to fixed-term deposit interest rates offered by commercial banks in Hong Kong. Primary objective of these investments is to collect the contractual interest due and principal upon maturity. At time of investment, the Group will consider the acquisition prices, the coupon rate, the maturity date and the background of the issuers.

Shareholders are advised to refer to the table listed in point (12) of the management discussion and analysis section under the heading "Investment in debt instrument" for details.

## Bank deposits

For spare fund which we have not yet identified suitable investments, the Group will place it under fixed time deposit or certificate of deposits.

As at 30 June 2026, the fixed time deposits was approximately HK\$418,329,000 (31 December 2025: HK\$358,616,000).

Global growth is uneven, with current geopolitical tensions and trade policy shifts, the Group tends to hold more liquid assets and takes on a more prudent approach towards investments in treasury products.



## OUTLOOK

Some financial experts and economists warn that the tech industry is over-investing in artificial intelligence, raising fears of AI bubble. However, based on the potential orders which we are in discussion, we expect the increased use of mSAP technologies and high performance GPUs will continue through to year 2027. The prospect of our electroplating equipment is looking good. The priority goes to production capacity management as well as cost control.

The Hong Kong stock market has experienced notable volatility and episodic swings in 2026. The fair value change (may it be a loss or gain) for the listed shares we held for investment may continue to bring impact to the financial performance of the Group.

In addition, as mentioned in sections stated in above, we expect the sluggish commercial property market condition in both China and Hong Kong will drag on for a couple of years.

The outlook of the three segments we operate in is diversified and it is difficult to predict which direction the full year financial performance of the Group may go. Two things remain very certain are: Our investment portfolio in listed shares in Hong Kong and commercial properties are generating steady and regular income to the Group. The associated loss in fair value change do not have any negative impact over our day-to-day operation nor cashflow. And based on our orders on hands, our electroplating equipment sector shall out-perform the Previous Period.



# PRINCIPAL RISKS AND UNCERTAINTIES FOR THE GROUP

The following are the principal risks and uncertainties faced by the Group in addition to the matters referred to in the Management Discussion and Analysis:

## 1. Economic climate and individual market performance

The economic conditions in each geographical area will have a general impact on consumer confidence in that particular geographical area which would in turn affect sales and results of the Group. While the Group has quite a wide footprint in its geographical coverage, we have focused markets in China, Taiwan, US and European countries. Any decline in the general economic conditions of these countries may bring negative effect to the financial results of the Group.

## 2. Customers' credit risk

Customers' credit risk is the risk of loss due to a customer's non-repayment for products or services the Group sold to them. In order to minimise the credit risk, management of the Group will review the financial strength and credit history of each customer and set up individualized credit limits in order to limit the exposure to each individual customer. Regular meeting is held to review any milestone payments which are fall due. Staff will contact customers and follow up payments which are fall due. In addition, the Group reviews the recoverable amount outstanding at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

## 3. Contract fulfillment risk

The principal business of our key subsidiaries are sales of tailor-made electroplating equipment. Based on our past experience, staff will discuss and agree technical specifications required by the customers. There are chances that equipment sold may not meet all agreed specifications. In such cases, we will provide alternate designs to the customers and, depending on the circumstances, the incremental cost may or may not be borne by us. If such cases do arise, the profit margin of the Group will normally be reduced as the Group will incur additional cost and may face the risk of paying penalty to the customers due to late completion (depending if any penalty term is agreed).

#### 4. **Liquidity risk**

In managing the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents which is adequate for the Group's operations.

#### 5. **Foreign Currency Risk**

Most of the assets and liabilities in the Group were denominated in HK dollars, US dollars and Renminbi. As US dollars are packed with HK dollars, the foreign currency risk faced by the Group is limited. For Renminbi, its appreciation or depreciation will bring positive or negative impact to the Group. The Group currently does not have any foreign currency hedging policy. However, the Group will continue to monitor foreign exchange exposure and will consider hedging arrangement should the need arises.

#### 6. **Equity Price Risk**

Equity price risk is the risk that arises from securities price volatility – the risk of a decline in the value of a security. Securities prices can be very volatile and unpredictable subject to different market and economic factors both locally and internationally. While the Group has invested in certain listed securities in Hong Kong, the Group intends to build a diversified portfolio to mitigate risk from a particular industry or sector.

#### 7. **Issuer's risk over bond or certificate of deposit acquired**

All bonds and certificates of deposits carry some degree of credit risk or the risk that the bond or certificate of deposit issuer may default on one or more payments before the bond or certificate of deposit reaches maturity. In the event of a default, the Group may lose some or all of the income it was entitled to, and even some or all of principal amount invested. To mitigate such risk, the Group would consider the credit rating of the issuers and issuers with investment grade are the preferred choices.



## 8. Price risk associated with investment properties

As the Group has held certain investment properties, the Group is subject to price risk which refers to the possibility of fluctuations in property values and rental income due to changes in economic conditions, interest rates, and demographic shifts. The Group is exposed to price risk as all investment properties are measured at fair value at each year end date and its rental income may be affected. The Group manages its exposure by monitoring the price movements and the changes in market conditions that may affect the value of these investments.

## MATERIAL ACQUISITION AND DISPOSAL

The Group has not entered any material transaction during the Period Under Review.

## INTERIM DIVIDEND

The Board has declared an interim dividend of HK\$0.02 per Share (2025: HK\$0.01 per Share) for the six months ended 30 June 2026. The interim dividend will be paid on or before 15 October 2026 to Shareholders whose names appear on the Register of Members of the Company at the close of business on 21 September 2026.

## CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 17 September 2026 to Monday, 21 September 2026, both days inclusive. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Share Registrar & Transfer Office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 16 September 2026 (Hong Kong time), being the last share registration date. The payment of interim dividend will be scheduled on or before Thursday, 15 October 2026.



## OTHER FINANCIAL REVIEW

### Capital Structure, Liquidity and Financial Resources

As at 30 June 2026, the Group had equity attributable to owners of the Company of approximately HK\$1,408,355,000 (31 December 2025: HK\$1,406,496,000). The gearing ratio was 2.0% (31 December 2025: 2.1%). The gearing ratio is calculated by dividing the aggregate amount of bank borrowings and other interest-bearing loans over the amount of equity attributable to the equity holders of the Company.

As at 30 June 2026, the Group had approximately HK\$751,099,000 of cash on hand (31 December 2025: HK\$552,105,000).

As at 30 June 2026, pledged deposits of HK\$7,008,000 (31 December 2025: nil) to banks to secure the issuance of bank guarantee of the same amount. Total banking facilities available to the Group for electroplating equipment segment is HK\$139,443,000 (31 December 2025: HK\$139,443,000). Out of the facilities available, the Group has utilized approximately HK\$7,008,000 for the issuance of bank's guarantee under which customers retain right to claim refund of purchase deposits received by the Group as at 30 June 2026 (31 December 2025: nil).

As at 30 June 2026, banking facilities available to the Group for wealth management and investment purpose is HK\$891,800,000 (31 December 2025: HK\$891,800,000). The Group did not utilize any of such facility (31 December 2025: nil).

As at 30 June 2026, banking facilities available to and utilized by the Group for investment properties is approximately HK\$28,098,000 (31 December 2025: HK\$28,851,000). Such facilities are secured by certain properties in Hong Kong.



## Foreign Currency Risk

Most of the assets in the Group were denominated in Renminbi and US dollar. During the Period Under Review, Renminbi has appreciated for 4.0% which has brought a positive financial impact on the Group. The USD to HKD exchange rate showed a steady upward trend in the first half of 2026, moving from about 7.785 in January to roughly 7.842 by the end of June, a mild increase of 0.73%. The Group currently does not have any foreign currency hedging policy. However, the Group will continue to monitor foreign exchange exposure and will consider hedging arrangement should the need arises.

Rest of the assets and liabilities in the Group were mainly denominated in US dollars and HK dollars.

## Contingent Liabilities

As at 30 June 2026, the Company had guarantees of approximately HK\$996,600,000 (31 December 2025: HK\$996,600,000) to banks in respect of banking facilities granted to subsidiaries of the Company. The amount utilized by the subsidiaries of the Company was approximately HK\$35,106,000 (31 December 2025: HK\$28,851,000).

## Pledge of Assets

As at 30 June 2026, certain investment properties in Hong Kong (31 December 2025: certain investment properties in Hong Kong) held by the Group were pledged to a licensed bank in Hong Kong for a mortgage loan.

## Capital Commitment

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



## Employee and Remuneration Policies

As at 30 June 2026, the Group employs a total of 332 employees (31 December 2025: 331). Employees and Directors are remunerated based on performance, experience and industry practice. Performance related bonuses are granted on discretionary basis. The Group maintains a mandatory provident fund schemes for its employees in Hong Kong and participates in the state-managed retirement benefit schemes for its employees in PRC. The Group also maintained appropriate insurances and medical cover for its employees.

By Order of the Board

**Asia Tele-Net and Technology Corporation Limited**

**LAM Kwok Hing MH, JP**

*Chairman and Managing Director*

Hong Kong, 26 August 2026



## OTHER INFORMATION

### Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares of the Company and its Associated Corporations

At 30 June 2026, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required to be 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 they were taken or deemed to have under such provisions of the SFO) or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

#### Long position

Ordinary shares ("Share(s)") of HK\$0.01 each of the Company

| Name of director  | Number of issued<br>ordinary shares held |                         | Total                   | Percentage<br>of the issued<br>share capital<br>of the<br>Company |
|-------------------|------------------------------------------|-------------------------|-------------------------|-------------------------------------------------------------------|
|                   | Personal<br>interest                     | Corporate<br>interest   |                         |                                                                   |
| Mr. Lam Kwok Hing | 3,474,667<br>(Note 2)                    | 237,966,500<br>(Note 1) | 241,441,167<br>(Note 2) | 63.75%<br>(Note 2)                                                |

*Note 1:* The amount composed of 35,720,666, 201,995,834 and 250,000 shares of the Company that were held by Medusa Group Limited ("Medusa"), Karfun Investments Limited ("Karfun") and J & A Investment Limited ("J & A") respectively. Medusa is a company wholly-owned by Mr. Lam Kwok Hing. Karfun is owned by J & A for 100%. Mr. Lam Kwok Hing who is the Chairman and Managing Director of the Company owns 80% shareholding in J & A.

*Note 2:* Subsequent to 30 June 2026, Mr. Lam Kwok Hing acquired an aggregate of 1,395,000 Shares in the open market during the period from 28 August 2026 to 16 September 2026. As at the latest practicable date prior to the printing of this report (i.e. 18 September 2026), Mr. Lam Kwok Hing's personal interest was 4,869,667 Shares, and his total shareholding interest increased to 242,836,167 Shares, representing approximately 64.12% of the total issued shareholding of the Company.

Save as disclosed above, except for nominee shares in certain subsidiaries held in trust for the Company by certain Directors, none of the Directors, the chief executives or their associates had any 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) which would have 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 the Directors and chief executives were deemed or taken to have under provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2026.

### Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares of the Company

As at 30 June 2026, the following persons (other than the Directors of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

Long positions in the ordinary shares of HK\$0.01 each of the Company

| Name of shareholders                  | Capacity         | Number of shares held | Percentage of Company's issued share capital |
|---------------------------------------|------------------|-----------------------|----------------------------------------------|
| Medusa*                               | Beneficial owner | 35,720,666            | 9.43%                                        |
| Karfun*                               | Beneficial owner | 201,995,834           | 53.33%                                       |
| J & A*                                | Beneficial owner | 250,000               | 0.07%                                        |
| Anatole Investment Management Limited | Beneficial owner | 34,130,000            | 9.01%                                        |
| Yang Xiaofan                          | Beneficial owner | 34,130,000            | 9.01%                                        |

\* Please refer to the note under the section heading "Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares of the Company and its Associated Corporation" above.



Save as disclosed above, as at 30 June 2026, no person (other than the Director of the Company whose interests are set out under the heading “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares of the Company and its Associated Corporation” above) had an interest or a short position in the shares and underlying shares of the Company that was required to be recorded under Section 336 of SFO.

## Share Option Scheme

The share option scheme adopted by the Company on 12 June 2015 was expired at the close of business on 12 June 2025. The Company had no share options in issue during the Period Under Review and up to date of this report.

## Corporate Governance and Other Information

The Company has complied with the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2026, with deviations from code provisions C.2.1 and B.2.2 of the CG Code in respect of the separate roles of chairman and chief executive officer, and rotation of directors.

### ***Code Provision C.2.1***

Under the code provision C.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The Company does not at present have any officer with the title of Chief Executive Officer (“CEO”), but instead the duties of a CEO are performed by the Managing Director (“MD”). The Company does not have a separate Chairman and MD and Mr. Lam Kwok Hing currently holds both positions. The Board believes that vesting the roles of both Chairman and MD in the same person without rotation provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies. In addition, through the supervision of the Board which comprised of three independent non-executive directors, representing half of the Board, the interests of the shareholders are adequately and fairly represented.



***Code Provision B.2.2***

Under the code provision B.2.2, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to Bye-laws of the Company, the Chairman or MD is not subject to retirement by rotation. This constitutes a deviation from code provision B.2.2 of the CG Code. As continuation is a key factor to the successful implementation of any long term business plans, the Board believes, together with the reasons for deviation from code provision C.2.1, that the present arrangement is most beneficial to the Company and the shareholders as a whole.

***Audit Committee***

The Audit Committee comprises three independent non-executive directors, namely Mr. Cheung Kin Wai, Mr. Ng Chi Kin, David and Mr. Hong Hui Lung. The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal controls, financial reporting and the re-appointment of the external auditor matters.

The international auditor of the Company, Messrs. Deloitte Touche Tohmatsu have reviewed the financial statements for the period under review and have issued a report on review of interim financial information. In accordance with the requirements of paragraph 39 of Appendix D2 of the Listing Rules, the Audit Committee has reviewed together with management the accounting principles and practices adopted by the Company and discussed auditing, internal control and financial report matters including the review of the unaudited interim financial statements for the six months ended 30 June 2026.

***Remuneration Committee***

The remuneration committee of the Company (the “Remuneration Committee”) is composed of four Directors, namely Mr. Nam Kwok Lun, Mr. Cheung Kin Wai, Mr. Ng Chi Kin David and Mr. Hong Hui Lung. The principal functions of the Remuneration Committee include determining the policy for the remuneration of executive directors, assessing performance of executive directors and approving the terms of executive directors’ service contracts; making recommendations to the Board on the Company’s policy and structure for all remuneration of directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration and to place recommendations before the Board concerning the total remuneration and/or benefits granted to the Directors from time to time.



### ***Nomination Committee***

The nomination committee of the Company (the “Nomination Committee”) is composed of five Directors, namely Mr. Lam Kwok Hing, Ms. Yung Wai Ching, Mr. Cheung Kin Wai, Mr. Ng Chi Kin David and Mr. Hong Hui Lung. The principal functions of the Nomination Committee include reviewing the structure, size and composition of the Board, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become board members and select or make recommendations to the Board on the selection of individuals nominated for directorship.

### ***Investment Committee***

The investment committee of the Company (the “Investment Committee”) is composed of four Directors, namely Mr. Lam Kwok Hing, Mr. Nam Kwok Lun, Ms. Yung Wai Ching and Mr. Hong Hui Lung. The principal functions of the Investment Committee include reviewing, evaluation and subsequent monitoring of any investment project or financial investment activities. The committee has a 2-tier approval structure. For investment project or financial investment activities which are very substantial transactions and connected transactions as defined by the Hong Kong Listing Rules, the Investment Committee will recommend to the Board before proceeding.

### ***Review of Accounts***

The Audit Committee has reviewed with the Company's management and external auditor the accounting principles and practices adopted by the Group and discussed auditing, internal controls, and financial reporting matters including the review of the unaudited interim financial statements for the period under review. The external auditor has reviewed the interim financial information for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.



***Model Code for Securities Transaction by Directors***

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) set out in Appendix C3 to the Listing Rules. Upon enquiry by the Company, all directors of the Company have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2026.

**Directors’ rights to acquire shares or debentures**

Apart from as disclosed under the heading “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares of the Company and its Associated Corporations” above, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

**Purchase, Sale or Redemption of Listed Securities of the Company**

During the period from 2 January 2026 to 19 January 2026, the Company has repurchased a total of 1,450,000 ordinary shares in the open market at an average cost of HK\$0.974 per share. Such shares were cancelled on 22 May 2026.

**Events after the reporting period**

The Company did not have any material subsequent events after the Period Under Review and up to the date of this report.

**Publication of Results on the Websites of the Stock Exchange and the Company**

The Interim Report 2026, containing the relevant information required by the Rules Governing the Listing of Securities on the Stock Exchange, has been published on the websites of the Stock Exchange and the Company.



# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

# Deloitte.

# 德勤

TO THE BOARD OF DIRECTORS OF  
**ASIA TELE-NET AND TECHNOLOGY CORPORATION LIMITED**  
(incorporated in Bermuda with limited liability)

## Introduction

We have reviewed the condensed consolidated financial statements of Asia Tele-Net and Technology Corporation Limited (the “Company”) and its subsidiaries set out on pages 53 to 70, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six months then ended, and notes to the condensed consolidated financial statements. 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 Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion 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” issued by the HKICPA. A review of these condensed consolidated financial statements 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

26 August 2026



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

FOR THE SIX MONTHS ENDED 30 JUNE 2026

|                                                            | NOTES | Six months ended 30 June               |                                        |
|------------------------------------------------------------|-------|----------------------------------------|----------------------------------------|
|                                                            |       | 2026<br><i>HK\$'000</i><br>(unaudited) | 2025<br><i>HK\$'000</i><br>(unaudited) |
| Revenue                                                    |       |                                        |                                        |
| Contracts with customers                                   | 3A    | <b>406,129</b>                         | 213,629                                |
| Rental income                                              |       | <b>7,355</b>                           | 7,540                                  |
| Interest income                                            |       | <b>4,800</b>                           | 8,223                                  |
| Dividend income                                            |       | <b>5,623</b>                           | 7,552                                  |
|                                                            |       | <b>423,907</b>                         | 236,944                                |
| Cost of revenue                                            |       | <b>(347,573)</b>                       | (166,251)                              |
|                                                            |       | <b>76,334</b>                          | 70,693                                 |
| Other gains or losses                                      | 5     | <b>(21,292)</b>                        | 38,058                                 |
| Other income                                               | 5     | <b>15,237</b>                          | 13,837                                 |
| Selling and distribution costs                             |       | <b>(7,003)</b>                         | (7,381)                                |
| Administrative expenses                                    |       | <b>(38,033)</b>                        | (39,288)                               |
| Impairment losses under expected credit<br>loss model, net |       | <b>(10,134)</b>                        | (6,738)                                |
| Loss on change in fair value of<br>investment properties   | 8     | <b>(29,563)</b>                        | (52,999)                               |
| Finance costs                                              |       | <b>(543)</b>                           | (531)                                  |
| (Loss) profit before taxation                              |       | <b>(14,997)</b>                        | 15,651                                 |
| Taxation                                                   | 4     | <b>(4,384)</b>                         | (1,255)                                |
| (Loss) profit for the period                               | 5     | <b>(19,381)</b>                        | 14,396                                 |

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*

FOR THE SIX MONTHS ENDED 30 June 2026

|                                                                  | NOTES | Six months ended 30 June<br>2026<br>HK\$'000<br>(unaudited) | 2025<br>HK\$'000<br>(unaudited) |
|------------------------------------------------------------------|-------|-------------------------------------------------------------|---------------------------------|
| <b>Other comprehensive income</b>                                |       |                                                             |                                 |
| Item that may be reclassified subsequently to profit or loss:    |       |                                                             |                                 |
| Exchange difference arising on translation of foreign operations |       | 30,263                                                      | 14,265                          |
| Total comprehensive income for the period                        |       | 10,882                                                      | 28,661                          |
| (Loss) profit for the period attributable to:                    |       |                                                             |                                 |
| Owners of the Company                                            |       | (19,410)                                                    | 14,481                          |
| Non-controlling interests                                        |       | 29                                                          | (85)                            |
|                                                                  |       | (19,381)                                                    | 14,396                          |
| Total comprehensive income attributable to:                      |       |                                                             |                                 |
| Owners of the Company                                            |       | 10,853                                                      | 28,817                          |
| Non-controlling interests                                        |       | 29                                                          | (156)                           |
|                                                                  |       | 10,882                                                      | 28,661                          |
| (Loss) earnings per share                                        |       |                                                             |                                 |
| Basic                                                            | 7     | (HK5.12 cents)                                              | HK3.79 cents                    |

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2026

|                                                            | NOTES | 30.6.2026<br><i>HK\$'000</i><br>(unaudited) | 31.12.2025<br><i>HK\$'000</i><br>(audited) |
|------------------------------------------------------------|-------|---------------------------------------------|--------------------------------------------|
| Non-current assets                                         |       |                                             |                                            |
| Property, plant and equipment                              |       | <b>62,173</b>                               | 61,875                                     |
| Right-of-use assets                                        |       | <b>5,452</b>                                | 5,285                                      |
| Investment properties                                      | 8     | <b>576,857</b>                              | 587,873                                    |
| Deferred Consideration                                     | 9     | <b>97,274</b>                               | 90,064                                     |
| Loans receivable                                           |       | <b>12,765</b>                               | 17,422                                     |
| Investments in debt instruments                            | 10    | <b>159,923</b>                              | 216,264                                    |
|                                                            |       | <b>914,444</b>                              | 978,783                                    |
| Current assets                                             |       |                                             |                                            |
| Inventories                                                |       | <b>33,259</b>                               | 14,651                                     |
| Loans receivable                                           |       | <b>13,575</b>                               | 15,457                                     |
| Contract assets                                            |       | <b>89,860</b>                               | 29,496                                     |
| Debtors and prepayments                                    | 11    | <b>163,718</b>                              | 129,337                                    |
| Deferred Consideration                                     |       | —                                           | 26,788                                     |
| Investments at fair value through profit or loss ("FVTPL") | 10    | <b>215,757</b>                              | 239,298                                    |
| Amounts due from associates                                |       | <b>209</b>                                  | 180                                        |
| Taxation recoverable                                       |       | <b>1,345</b>                                | 1,495                                      |
| Investments in debt instruments                            |       | —                                           | 47,587                                     |
| Pledged bank deposit                                       |       | <b>7,008</b>                                | —                                          |
| Bank deposits                                              |       | <b>418,329</b>                              | 358,616                                    |
| Bank balances and cash                                     |       | <b>332,770</b>                              | 193,489                                    |
|                                                            |       | <b>1,275,830</b>                            | 1,056,394                                  |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AT 30 JUNE 2026

|                                              | NOTES | 30.6.2026<br><i>HK\$'000</i><br>(unaudited) | 31.12.2025<br><i>HK\$'000</i><br>(audited) |
|----------------------------------------------|-------|---------------------------------------------|--------------------------------------------|
| Current liabilities                          |       |                                             |                                            |
| Creditors and accrued charges                | 12    | 292,710                                     | 139,537                                    |
| Other payables                               |       | 142,689                                     | 142,689                                    |
| Dividend payable                             |       | 7,575                                       | –                                          |
| Contract liabilities                         |       | 242,064                                     | 87,654                                     |
| Warranty provision                           |       | 24,386                                      | 24,456                                     |
| Lease liabilities                            |       | 2,269                                       | 2,304                                      |
| Bank borrowings                              |       | 28,098                                      | 28,851                                     |
| Taxation payable                             |       | 9,409                                       | 164,418                                    |
|                                              |       | <b>749,200</b>                              | 589,909                                    |
| Net current assets                           |       | <b>526,630</b>                              | 466,485                                    |
| Total assets less current liabilities        |       | <b>1,441,074</b>                            | 1,445,268                                  |
| Capital and reserves                         |       |                                             |                                            |
| Share capital                                | 13    | 3,788                                       | 3,820                                      |
| Reserves                                     |       | 1,404,567                                   | 1,402,676                                  |
| Equity attributable to owners of the Company |       | <b>1,408,355</b>                            | 1,406,496                                  |
| Non-controlling interests                    |       | <b>178</b>                                  | 149                                        |
| Total equity                                 |       | <b>1,408,533</b>                            | 1,406,645                                  |

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AT 30 JUNE 2026

|                          | NOTES | 30.6.2026<br><i>HK\$'000</i><br>(unaudited) | 31.12.2025<br><i>HK\$'000</i><br>(audited) |
|--------------------------|-------|---------------------------------------------|--------------------------------------------|
| Non-current liabilities  |       |                                             |                                            |
| Warranty provision       |       | 2,748                                       | 3,000                                      |
| Lease liabilities        |       | 2,868                                       | 3,804                                      |
| Deferred tax liabilities | 14    | 26,925                                      | 31,819                                     |
|                          |       | 32,541                                      | 38,623                                     |
|                          |       | 1,441,074                                   | 1,445,268                                  |

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2026

|                                                                  | Attributable to owners of the Company |                           |                                                 |                               |                                          |                                 |                                  |                              | Attributable to non-controlling interests |          | Total     |
|------------------------------------------------------------------|---------------------------------------|---------------------------|-------------------------------------------------|-------------------------------|------------------------------------------|---------------------------------|----------------------------------|------------------------------|-------------------------------------------|----------|-----------|
|                                                                  | Share capital<br>HK\$'000             | Share premium<br>HK\$'000 | Shares repurchased for cancellation<br>HK\$'000 | Statutory reserve<br>HK\$'000 | Currency translation reserve<br>HK\$'000 | Contributed surplus<br>HK\$'000 | Capital contribution<br>HK\$'000 | Retained profits<br>HK\$'000 | Subtotal<br>HK\$'000                      | HK\$'000 | HK\$'000  |
| At 1 January 2026 (audited)                                      | 3,820                                 | 25,524                    | (1,659)                                         | 14,336                        | 105,819                                  | 6,390                           | 1,206                            | 1,251,060                    | 1,406,496                                 | 149      | 1,406,645 |
| Profit (loss) for the period                                     | -                                     | -                         | -                                               | -                             | -                                        | -                               | -                                | (19,410)                     | (19,410)                                  | 29       | (19,381)  |
| Exchange difference arising on translation of foreign operations | -                                     | -                         | -                                               | -                             | 30,263                                   | -                               | -                                | -                            | 30,263                                    | -        | 30,263    |
| Total comprehensive income (expense) for the period              | -                                     | -                         | -                                               | -                             | 30,263                                   | -                               | -                                | (19,410)                     | 10,853                                    | 29       | 10,882    |
| Repurchase of shares (note 13)                                   | (32)                                  | (214)                     | 1,659                                           | -                             | -                                        | (2,832)                         | -                                | -                            | (1,419)                                   | -        | (1,419)   |
| Dividend (note 6)                                                | -                                     | -                         | -                                               | -                             | -                                        | -                               | -                                | (7,575)                      | (7,575)                                   | -        | (7,575)   |
| At 30 June 2026 (unaudited)                                      | 3,788                                 | 25,310                    | -                                               | 14,336                        | 136,082                                  | 3,558                           | 1,206                            | 1,224,075                    | 1,408,355                                 | 178      | 1,408,533 |
| At 1 January 2025 (audited)                                      | 3,827                                 | 25,571                    | -                                               | 14,336                        | 84,894                                   | 6,928                           | 1,206                            | 1,275,928                    | 1,412,690                                 | 381      | 1,413,071 |
| Profit (loss) for the period                                     | -                                     | -                         | -                                               | -                             | -                                        | -                               | -                                | 14,481                       | 14,481                                    | (85)     | 14,396    |
| Exchange difference arising on translation of foreign operations | -                                     | -                         | -                                               | -                             | 14,336                                   | -                               | -                                | -                            | 14,336                                    | (71)     | 14,265    |
| Total comprehensive income (expense) for the period              | -                                     | -                         | -                                               | -                             | 14,336                                   | -                               | -                                | 14,481                       | 28,817                                    | (156)    | 28,661    |
| Repurchase of shares (note 13)                                   | (7)                                   | (47)                      | -                                               | -                             | -                                        | (538)                           | -                                | -                            | (592)                                     | -        | (592)     |
| Dividend (note 6)                                                | -                                     | -                         | -                                               | -                             | -                                        | -                               | -                                | (7,639)                      | (7,639)                                   | -        | (7,639)   |
| At 30 June 2025 (unaudited)                                      | 3,820                                 | 25,524                    | -                                               | 14,336                        | 99,230                                   | 6,390                           | 1,206                            | 1,282,770                    | 1,433,276                                 | 225      | 1,433,501 |



# 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 from operating activities:                         |                          |                  |
| (Increase) decrease in debtors and prepayments              | (39,481)                 | 10,651           |
| (Increase) decrease in contract assets                      | (60,074)                 | 3,306            |
| Increase in contract liabilities                            | 154,410                  | 19,707           |
| Increase in creditors and accrued charges                   | 161,090                  | 21,035           |
| Interest and dividend received                              | 14,577                   | 18,720           |
| Income tax paid                                             | (165,105)                | (786)            |
| Other changes, net                                          | 17,187                   | 6,885            |
|                                                             | <b>82,604</b>            | <b>79,518</b>    |
| Net cash from (used in) investing activities:               |                          |                  |
| Placements of bank deposits                                 | (66,721)                 | (213,840)        |
| Investments in debt instruments                             | —                        | (75,753)         |
| Additions of investments at FVTPL                           | (4,597)                  | —                |
| Proceeds from redemption of investments in debt instruments | 104,138                  | 130,179          |
| Receipt of settlement of Deferred Consideration             | 26,824                   | —                |
| Interest received                                           | 1,738                    | 346              |
| Other investing cash flows, net                             | (6,482)                  | (7,212)          |
|                                                             | <b>54,900</b>            | <b>(166,280)</b> |

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

FOR THE SIX MONTHS ENDED 30 JUNE 2026

|                                                          | Six months ended 30 June |             |
|----------------------------------------------------------|--------------------------|-------------|
|                                                          | 2026                     | 2025        |
|                                                          | HK\$'000                 | HK\$'000    |
|                                                          | (unaudited)              | (unaudited) |
| Net cash used in financing activities:                   |                          |             |
| Repurchase of shares                                     | (1,419)                  | (592)       |
| Repayment of bank borrowings                             | (753)                    | (7,052)     |
| Interest paid                                            | (543)                    | (531)       |
| Repayment of lease liabilities                           | (1,171)                  | (1,208)     |
|                                                          | (3,886)                  | (9,383)     |
| Net increase (decrease) in cash and cash equivalents     | 133,618                  | (96,145)    |
| Cash and cash equivalents at the beginning of the period | 193,489                  | 247,978     |
| Effect on foreign exchange rate changes                  | 5,663                    | 5,244       |
| Cash and cash equivalents at the end of the period       | 332,770                  | 157,077     |
| Analysis of the balances of cash and cash equivalents    |                          |             |
| Bank balances and cash                                   | 332,770                  | 157,077     |



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2026

## 1. BASIS OF PREPARATION

The Company is an investment holding company. Its principal subsidiaries are mainly engaged in electroplating equipment business, property investment and treasury management (refer to note 3B for more information). The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the annual consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2025.

### Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7

Amendments to HKFRS 9 and HKFRS 7

Amendments to HKFRS  
Accounting Standards

Amendments to the Classification and  
Measurement of Financial Instruments  
Contracts Referencing Nature-dependent  
Electricity

Annual Improvements to HKFRS Accounting  
Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods.

**3A. REVENUE FROM CONTRACTS WITH CUSTOMERS**

|  | <b>Six months ended 30 June</b> |             |
|--|---------------------------------|-------------|
|  | <b>2026</b>                     | 2025        |
|  | <b>HK\$'000</b>                 | HK\$'000    |
|  | <b>(unaudited)</b>              | (unaudited) |

**Types of goods or services**

Contract works in respect of design, manufacturing and sale of custom-built electroplating machinery and other industrial machinery

– Printed circuit boards

**345,644**

136,376

– Surface finishing

**25,133**

30,792

**370,777**

167,168

Sale of spare parts of electroplating machinery

**5,100**

4,775

Provision of services – repairs, maintenance and modification

**30,252**

41,686

Total

**406,129**

213,629

**Geographical analysis of revenue by location of external customers**

The People's Republic of China  
(excluding Hong Kong) (the "PRC")

**264,886**

111,864

Taiwan

**61,309**

10,803

France

**21,899**

10,615

Thailand

**17,206**

25,177

South Korea

**9,360**

459

Netherlands

**4,797**

18,463

The United States of America

**2,739**

15,610

The United Kingdom

**2,009**

4,658

Mexico

**1,893**

7,040

Others

**20,031**

8,940

**406,129**

213,629

**Timing of revenue recognition**

A point in time

**5,100**

4,775

Over time

**401,029**

208,854

**Total**

**406,129**

213,629

**3B. SEGMENT INFORMATION**

The Group is internally organised based on the nature of activities, namely: (i) electroplating equipment, (ii) property investment and (iii) treasury management (which is the investment in debt and equity investments). These are operating and reportable segments for the purpose of resources allocation and performance assessment.

**Segment revenue and results**

|                                   | <b>Segment revenue</b>          |                    | <b>Segment (loss) profit</b>    |                    |
|-----------------------------------|---------------------------------|--------------------|---------------------------------|--------------------|
|                                   | <b>Six months ended 30 June</b> | <b>2025</b>        | <b>Six months ended 30 June</b> | <b>2025</b>        |
|                                   | <b>2026</b>                     |                    | <b>2026</b>                     |                    |
|                                   | <b>HK\$'000</b>                 | <b>HK\$'000</b>    | <b>HK\$'000</b>                 | <b>HK\$'000</b>    |
|                                   | <b>(unaudited)</b>              | <b>(unaudited)</b> | <b>(unaudited)</b>              | <b>(unaudited)</b> |
| Electroplating equipment          | <b>406,129</b>                  | 213,629            | <b>28,597</b>                   | 17,428             |
| Property investment               | <b>7,355</b>                    | 7,540              | <b>(22,484)</b>                 | (48,042)           |
| Treasury management               | <b>10,423</b>                   | 15,775             | <b>(7,830)</b>                  | 55,873             |
| Total segment revenue/<br>results | <b>423,907</b>                  | 236,944            | <b>(1,717)</b>                  | 25,259             |
| Central corporate<br>expenses     |                                 |                    | <b>(13,280)</b>                 | (9,608)            |
| (Loss) profit before<br>taxation  |                                 |                    | <b>(14,997)</b>                 | 15,651             |

**Segment assets and liabilities**

|                                             | <b>Segment assets</b> |                   | <b>Segment liabilities</b> |                   |
|---------------------------------------------|-----------------------|-------------------|----------------------------|-------------------|
|                                             | <b>30.6.2026</b>      | <b>31.12.2025</b> | <b>30.6.2026</b>           | <b>31.12.2025</b> |
|                                             | <b>HK\$'000</b>       | <b>HK\$'000</b>   | <b>HK\$'000</b>            | <b>HK\$'000</b>   |
|                                             | <b>(unaudited)</b>    | <b>(audited)</b>  | <b>(unaudited)</b>         | <b>(audited)</b>  |
| Electroplating equipment                    | <b>309,159</b>        | 160,608           | <b>535,320</b>             | 255,307           |
| Property investment                         | <b>713,555</b>        | 773,881           | <b>208,336</b>             | 369,498           |
| Treasury management                         | <b>387,186</b>        | 514,794           | <b>6</b>                   | 51                |
| Total segment assets/<br>liabilities        | <b>1,409,900</b>      | 1,449,283         | <b>743,662</b>             | 624,856           |
| Unallocated corporate<br>assets/liabilities | <b>780,374</b>        | 585,894           | <b>38,079</b>              | 3,676             |
| Consolidated assets/<br>liabilities         | <b>2,190,274</b>      | 2,035,177         | <b>781,741</b>             | 628,532           |

## 4. TAXATION

|                                        | Six months ended 30 June |             |
|----------------------------------------|--------------------------|-------------|
|                                        | 2026                     | 2025        |
|                                        | HK\$'000                 | HK\$'000    |
|                                        | (unaudited)              | (unaudited) |
| Hong Kong Profits Tax                  | –                        | 227         |
| Taxation outside Hong Kong             |                          |             |
| Charge for the period                  | 10,237                   | 452         |
| Overprovision in prior years           | (40)                     | –           |
|                                        | 10,197                   | 679         |
| Deferred tax (credit) charge (note 14) | (5,813)                  | 576         |
|                                        | 4,384                    | 1,255       |

Hong Kong Profits Tax is calculated at 16.5% of the assessable profit for the group entities that are subjected to Hong Kong Profits Tax.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

## 5. (LOSS) PROFIT FOR THE PERIOD

|                                                                              | Six months ended 30 June |             |
|------------------------------------------------------------------------------|--------------------------|-------------|
|                                                                              | 2026                     | 2025        |
|                                                                              | HK\$'000                 | HK\$'000    |
|                                                                              | (unaudited)              | (unaudited) |
| (Loss) profit for the period has been arrived at after charging (crediting): |                          |             |
| Depreciation of property, plant and equipment and right-of-use assets        | 3,690                    | 3,326       |
| Included in other income:                                                    |                          |             |
| Interest income from Deferred Consideration                                  | (10,020)                 | (8,593)     |
| Interest income from loans receivable                                        | (916)                    | (807)       |
| Included in other gains or losses                                            |                          |             |
| Net exchange gain                                                            | (6,412)                  | (6,240)     |
| Net change in fair value of investments at fair value through profit or loss | 28,138                   | (30,705)    |

## 6. DIVIDEND

During the six months ended 30 June 2026, a final dividend of HK\$0.02 (six months ended 30 June 2025: HK\$0.02) per share with aggregate amount of HK\$7,575,000 (six months ended 30 June 2025: HK\$7,639,000) in respect of the year ended 31 December 2025 was declared and approved by shareholders of the Company as at 26 June 2026. The amount was subsequently paid to shareholders of the Company on 20 July 2026.

Subsequent to the end of the current interim period, the directors of the Company have determined that an interim dividend of HK\$0.02 (six months ended 30 June 2025: HK\$0.01) per share amounting to HK\$7,575,000 (six months ended 30 June 2025: HK\$3,819,000) will be paid to owners of the Company.

## 7. (LOSS) EARNINGS PER SHARE

The calculation of basic loss per share is based on the Group's loss for the period attributable to owners of the Company of HK\$19,410,000 (six months ended 30 June 2025: profit for the period attributable to owners of the Company of HK\$14,481,000) and the weighted average number of ordinary shares of 378,819,000 (six months ended 30 June 2025: 382,368,000) in issue.

No diluted earnings per share have been presented as there were no potential ordinary shares in issue during both periods.

## 8. INVESTMENT PROPERTIES

|                                                         | Six months ended 30 June |          |
|---------------------------------------------------------|--------------------------|----------|
|                                                         | 2026                     | 2025     |
|                                                         | HK\$'000                 | HK\$'000 |
| FAIR VALUE                                              |                          |          |
| At 1 January (audited)                                  | 587,873                  | 689,387  |
| Currency realignment                                    | 18,547                   | 8,155    |
| Net decrease in fair value recognised in profit or loss | (29,563)                 | (52,999) |
| At 30 June (unaudited)                                  | 576,857                  | 644,543  |

## 8. INVESTMENT PROPERTIES *(Continued)*

The fair value of the Group's investment properties as at 30 June 2026 and 31 December 2025 have been arrived at on the basis of valuations carried out on that date by Avista Valuation Advisory Limited, an independent qualified valuer not connected with the Group, were arrived at by adopting the direct comparison approach.

The direct comparison approach estimates the values of the properties based on the recent transaction prices for similar properties adjusted for nature, location and condition of the property. The range of market unit rate for office properties in Hong Kong, retail properties in the PRC and office properties in the PRC used in the valuation are HK\$4,700 to HK\$13,200 (31 December 2025: HK\$5,200 to HK\$13,200) per square feet, RMB56,000 to RMB79,900 (31 December 2025: RMB54,000 to RMB72,000) per square meter and RMB21,900 to RMB23,900 (31 December 2025: RMB20,000 to RMB24,000) per square meter, respectively.

## 9. DEFERRED CONSIDERATION

Deferred Consideration is a receivable amount from an independent third party (the "Counterparty") arising from a land re-development project. The amount has become credit-impaired and the Group has undergone a series of negotiations with regards to collaterals with the Counterparty in order to minimise the loss exposure. As at 30 June 2026, the net carrying amount of Deferred Consideration amounting to HK\$97,274,000 (31 December 2025: HK\$90,064,000) is not expected to be settled within one year and accordingly is classified as non-current assets.

During the current interim period, impairment losses under expected credit loss model of HK\$6,993,000 (six months ended 30 June 2025: HK\$6,288,000) is recognised in profit or loss. The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025, of which the Group considers the amount and timing of cash flows that are expected from the foreclosure on the collaterals. Besides, interest income of HK\$10,020,000 (six months ended 30 June 2025: HK\$8,593,000) is recognised by applying the effective interest rate to the amortised cost of the Deferred Consideration.



## 10. INVESTMENTS IN DEBT INSTRUMENTS/INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group's investments in listed debt instruments are measured at amortised cost as these are held within a business model whose objective is to hold the investments in order to collect contractual cash flows and the contractual terms give rise on specific dates to cash flows that are solely payments of principals and interest on the principal amount outstanding. The debts are unsecured, carry annual coupon of a range from 2.1% to 8% (31 December 2025: 1.3% to 8%) and matures in August 2027 to February 2033 (31 December 2025: February 2026 to February 2033). These debts are investment grade of which the issuers are largest property companies in Hong Kong, global major banks as well as Hong Kong Government entities.

The Group's stock portfolio mainly comprise of blue chip companies which allows the Group to increase the return of the funds. At 30 June 2026, the largest equity investment within the Group's portfolio is a leading telecommunication service provider in the PRC which accounts for over 71% (31 December 2025: 68%) of the carrying amount of investments at fair value through profit or loss.

## 11. DEBTORS AND PREPAYMENTS

|                                              | 30.6.2026<br>HK\$'000<br>(unaudited) | 31.12.2025<br>HK\$'000<br>(audited) |
|----------------------------------------------|--------------------------------------|-------------------------------------|
| Trade debtors from contracts with customers  | 70,857                               | 77,012                              |
| Less: Allowance for credit losses            | (6,788)                              | (3,320)                             |
|                                              | 64,069                               | 73,692                              |
| Rental and management fee receivable         | 12,047                               | 9,642                               |
| Rental and utilities deposits                | 988                                  | 1,341                               |
| Deposits paid for purchases of raw materials | 60,350                               | 21,667                              |
| Deposits paid for subcontracting costs       | 1,556                                | 161                                 |
| Account balance placed with a broker         | 9,912                                | 6,189                               |
| Interest receivable                          | 3,049                                | 4,629                               |
| Prepayment for renovation of properties      | 5,490                                | 3,951                               |
| Other tax receivables                        | 1,483                                | 2,286                               |
| Other debtors and prepayments                | 4,774                                | 5,779                               |
|                                              | 163,718                              | 129,337                             |

**11. DEBTORS AND PREPAYMENTS** *(Continued)*

The Group allows a general credit period of one to two months to its customers.

The following is an ageing analysis of trade debtors net of allowance for credit losses presented based on the invoice date at the end of the reporting period, which is approximated the respective recognition dates for sales of goods or respective dates of the achievement of the relevant milestone as stipulated in the relevant service contracts as appropriate.

|               | <b>30.6.2026</b><br><b>HK\$'000</b><br><b>(unaudited)</b> | 31.12.2025<br><i>HK\$'000</i><br>(audited) |
|---------------|-----------------------------------------------------------|--------------------------------------------|
| 0-60 days     | <b>52,333</b>                                             | 71,472                                     |
| 61-120 days   | <b>9,504</b>                                              | 380                                        |
| 121-180 days  | <b>1,762</b>                                              | 126                                        |
| Over 180 days | <b>470</b>                                                | 1,714                                      |
|               | <b>64,069</b>                                             | 73,692                                     |

**12. CREDITORS AND ACCRUED CHARGES**

|                                                         | <b>30.6.2026</b><br><b>HK\$'000</b><br><b>(unaudited)</b> | 31.12.2025<br><i>HK\$'000</i><br>(audited) |
|---------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------|
| Trade creditors                                         | <b>229,163</b>                                            | 80,002                                     |
| Accrued staff costs                                     | <b>17,387</b>                                             | 17,230                                     |
| Commission payables to sales agents                     | <b>13,002</b>                                             | 12,640                                     |
| Rental deposits received                                | <b>2,020</b>                                              | 2,435                                      |
| Other creditors and accrued charges for operating costs | <b>31,138</b>                                             | 27,230                                     |
|                                                         | <b>292,710</b>                                            | 139,537                                    |



**12. CREDITORS AND ACCRUED CHARGES** *(Continued)*

The following is an ageing analysis of trade creditors based on invoice dates as at the end of the reporting period.

|               | <b>30.6.2026</b><br><b>HK\$'000</b><br><b>(unaudited)</b> | 31.12.2025<br><i>HK\$'000</i><br>(audited) |
|---------------|-----------------------------------------------------------|--------------------------------------------|
| 0-60 days     | <b>137,568</b>                                            | 27,812                                     |
| 61-120 days   | <b>52,850</b>                                             | 20,143                                     |
| 121-180 days  | <b>7,626</b>                                              | 12,408                                     |
| Over 180 days | <b>31,119</b>                                             | 19,639                                     |
|               | <b>229,163</b>                                            | 80,002                                     |

**13. SHARE CAPITAL**

|                                                          | <b>Number<br/>of shares</b> | <b>Amount</b><br><i>HK\$'000</i> |
|----------------------------------------------------------|-----------------------------|----------------------------------|
| Ordinary shares of HK\$0.01 each                         |                             |                                  |
| Authorised:                                              |                             |                                  |
| At 1 January 2025, 31 December 2025,<br>and 30 June 2026 | 20,000,000,000              | 200,000                          |
| Issued and fully paid:                                   |                             |                                  |
| At 1 January 2025                                        | 382,633,400                 | 3,827                            |
| Share repurchased and cancelled                          | (700,000)                   | (7)                              |
| Share repurchased and not cancelled                      | (1,750,000)                 | –                                |
| At 31 December 2025                                      | 380,183,400                 | 3,820                            |
| Shares cancelled                                         | –                           | (18)                             |
| Shares repurchased and cancelled                         | (1,450,000)                 | (14)                             |
| At 30 June 2026                                          | 378,733,400                 | 3,788                            |

During the current interim period, the Company has repurchased 1,450,000 of its own shares at an aggregate consideration (including transaction cost) of HK\$1,419,000.

**14. DEFERRED TAXATION**

At 30 June 2026, net deferred tax liabilities balances mainly arose from the Deferred Consideration amounted to HK\$24,320,000 (31 December 2025: HK\$29,214,000), of which related deferred tax credit of HK\$5,813,000 (six months ended 30 June 2025: deferred tax charge of HK\$576,000) is recognised during the current interim period.

**15. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**

The Group's investments in equity securities listed in Hong Kong classified as investments at fair value through profit or loss with fair value of HK\$215,757,000 (31 December 2025: HK\$239,298,000) are categorised as Level 1 (i.e. fair value measurements are based on quoted prices (unadjusted) in active markets for identical assets or liabilities) under the fair value hierarchy.

The directors of the Company consider that the carrying amounts of other financial assets and other financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair values.

**16. SIGNIFICANT RELATED PARTY TRANSACTIONS**

The Group has provided loan facility to Karl Thomson Financial Group Limited ("KTFG"), of which the ultimate controlling shareholder of the Company is a director. In addition, the Group earned interest income from KTFG of HK\$174,000 (six months ended 30 June 2025: HK\$nil) during the current interim period. The Group has appointed KTFG as a broker for dealing with the securities investments. The Group has placed deposits with the broker (note 11) and the Group has paid securities dealing expenses amounting to HK\$40,000 (six months ended 30 June 2025: HK\$45,000) during the current interim period.

The remuneration paid to key management during the six months ended 30 June 2026 was HK\$9,683,000 (six months ended 30 June 2025: HK\$19,824,000).

**17. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The condensed consolidated financial statements were approved and authorised for issue by the Board on 26 August 2026.

