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MANWAH

MAN WAH HOLDINGS LIMITED

敏華控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 01999)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026
AND
CLOSURE OF REGISTER OF MEMBERS

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Man Wah Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**" or "**Man Wah**") for the six months ended 30 September 2026 ("**1HFY2027**" or the "**Review Period**"). These interim results have been reviewed by the Company's audit committee ("**Audit Committee**").

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2026

		Six months ended 30 September	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue and other income		**8,229,443**	8,240,757
REVENUE	3	**8,155,188**	8,044,781
Cost of goods sold		**(5,232,018)**	(4,794,620)
Gross profit		**2,923,170**	3,250,161
Other income		**74,255**	195,976
Other losses, net		**(371,684)**	(33,475)
Selling and distribution expenses		**(1,653,695)**	(1,539,021)
Administrative and other expenses		**(483,156)**	(364,089)
Finance costs		**(46,547)**	(40,184)
Share of losses of a joint venture		**(205)**	(1,258)
PROFIT BEFORE INCOME TAX		**442,138**	1,468,110
Income tax expense	4	**(223,584)**	(261,776)
PROFIT FOR THE PERIOD		**218,554**	1,206,334
Profit for the period attributable to:			
Owners of the Company		**184,803**	1,145,578
Non-controlling interests		**33,751**	60,756
		218,554	1,206,334
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic *(HK cents per share)*	5	**4.79**	29.54
Diluted *(HK cents per share)*	5	**4.79**	29.54

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2026

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**218,554**	1,206,334
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Currency translation differences	**315,218**	264,891
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity investments designated at fair value through other comprehensive income	**(20,081)**	–
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**295,137**	264,891
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**513,691**	1,471,225
Total comprehensive income for the period attributable to:		
Owners of the Company	**462,176**	1,399,952
Non-controlling interests	**51,515**	71,273
	513,691	1,471,225

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Notes	**30 September 2026** ***HK$'000*** **(Unaudited)**	31 March 2026 *HK$'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**8,302,830**	8,052,413
Investment properties		**1,334,894**	1,268,603
Right-of-use assets		**3,074,695**	3,028,451
Goodwill		**703,943**	771,461
Other intangible assets		**65,848**	252,311
Investment in a joint venture		**–**	22,525
Equity investments designated at fair value through other comprehensive income		**370,529**	–
Financial assets at fair value through profit or loss		**–**	1,815
Deferred tax assets		**41,798**	54,178
Deposits paid for a land lease	7	**–**	17,393
Prepayments and deposits paid for acquisition of property, plant and equipment	7	**139,358**	93,714
Total non-current assets		**14,033,895**	13,562,864
CURRENT ASSETS			
Inventories		**1,768,207**	1,733,136
Properties held for sale		**132,275**	129,771
Properties under development		**1,059,629**	951,133
Trade and bills receivables	7	**2,085,092**	1,947,812
Prepayments and other receivables	7	**826,917**	735,926
Tax recoverable		**8,153**	13,492
Financial assets at fair value through profit or loss		**2,803**	2,963
Restricted bank balances		**148,461**	8,319
Cash and bank balances		**2,548,944**	3,318,700
Total current assets		**8,580,481**	8,841,252

	Notes	**30 September 2026** ***HK$'000*** **(Unaudited)**	31 March 2026 *HK$'000* (Audited)
CURRENT LIABILITIES			
Trade payables	8	**831,081**	714,315
Other payables and accruals	8	**914,325**	893,494
Bank and other borrowings	9	**4,070,881**	4,239,821
Lease liabilities		**106,384**	74,299
Contract liabilities		**601,002**	272,867
Tax payable		**240,245**	291,505
Total current liabilities		**6,763,918**	6,486,301
NET CURRENT ASSETS		**1,816,563**	2,354,951
TOTAL ASSETS LESS CURRENT LIABILITIES		**15,850,458**	15,917,815
NON-CURRENT LIABILITIES			
Bank and other borrowings	9	**928**	473
Lease liabilities		**503,711**	525,538
Deferred tax liabilities		**138,903**	190,441
Other non-current liabilities		**3,019**	1,655
Total non-current liabilities		**646,561**	718,107
Net assets		**15,203,897**	15,199,708
Equity			
Equity attributable to owners of the Company			
Share capital		**1,537,580**	1,551,233
Reserves		**12,636,386**	12,630,834
		14,173,966	14,182,067
Non-controlling interests		**1,029,931**	1,017,641
Total equity		**15,203,897**	15,199,708

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 BASIS OF PREPARATION

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

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

2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2026, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information:

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

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

(a) Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 March 2027.

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

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

3 OPERATING SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the Company's executive directors, being the chief operating decision makers of the Group, in respect of the Group's performance regarding different products and different markets, are as follows:

- Sofas and ancillary products – manufacture and distribution of sofas and ancillary products through wholesale and distributors other than those by Home Group Ltd and its subsidiaries ("Home Group")
- Home Group business – manufacture and distribution of sofas and ancillary products by Home Group
- Bedding and ancillary products – manufacture and distribution of bedding and ancillary products
- Other products – manufacture and distribution of chairs and other products to commercial clients, smart furniture spare parts and metal mechanism for recliners, income from sales of scrap metal etc.
- Other business – turnkey fit-out services for commercial residences, sales of residential properties, hotel operation and lease of furniture mall and other properties

The sofas and ancillary products segment includes a number of sales operations in various locations, each of which is considered as a separate operating segment by the executive directors. For segment reporting, these individual operating segments have been aggregated into a single reportable segment in order to present a more systematic and structured segment information on the performance of different types of products.

The Company's executive directors make decisions based on the operating results of each segment and review reports on the aging analysis of trade receivables and bills receivable and expected usage of inventories of the Group as a whole. No information of segment assets and liabilities is reviewed by the Company's executive directors for the assessment of performance of operating segments. Therefore, only the segment revenue and segment results are presented.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the profit before income tax earned by each segment without allocation of other income, share of results of a joint venture, exchange gains or losses, net, fair value losses on investment properties, gains or losses from changes in fair value of financial assets at fair value through profit or loss, finance costs, impairment of goodwill, impairment of intangible assets and unallocated expenses.

For the six months ended 30 September 2026 (Unaudited)

	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Revenue						
External sales	**5,640,607**	**982,127**	**980,651**	**87,307**	**464,496**	**8,155,188**
Segment results	**589,971**	**136,235**	**87,542**	**(10,171)**	**38,601**	**842,178**
Other income						**74,255**
Share of losses of a joint venture						**(205)**
Finance costs						**(46,547)**
Exchange losses, net						**(10,476)**
Fair value losses on investment properties						**(20,835)**
Fair value losses on financial assets at fair value through profit or loss						**(2,083)**
Impairment of goodwill and other intangible assets						**(245,753)**
Unallocated expenses						**(148,396)**
Profit before income tax						**442,138**

For the six months ended 30 September 2025 (Unaudited)

	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Revenue						
External sales	5,550,229	1,119,060	930,789	65,038	379,665	8,044,781
Segment results	1,082,825	260,581	101,094	23,388	11,667	1,479,555
Other income						195,976
Share of losses of a joint venture						(1,258)
Finance costs						(40,184)
Exchange gains, net						5,203
Fair value losses on investment properties						(38,536)
Fair value gains on financial assets at fair value through profit or loss						4,034
Unallocated expenses						(136,680)
Profit before income tax						1,468,110

Geographical information

Revenue from external customers

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
PRC (including Hong Kong and Macau)	**4,221,056**	4,739,974
North America	**2,587,019**	2,160,622
Europe	**842,135**	723,856
Others *(Note)*	**504,978**	420,329
	8,155,188	8,044,781

Note: Others mainly include Indonesia, India, Australia and Korea. Home Group's business is included in Europe. No further analysis by countries of this category is presented because the revenue from each individual country is insignificant to the total revenue.

Information about major customers

There was no single external customer of the Group that individually accounted for 10% or more of the Group's total revenue during the period (30 September 2025: Nil).

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 September 2026 (Unaudited)

Segments	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Types of goods or service						
Sofas and ancillary products	**5,640,607**	**–**	**–**	**–**	**464,496**	**6,105,103**
Bedding and ancillary products	**–**	**982,127**	**–**	**–**	**–**	**982,127**
Customization and chair	**–**	**–**	**43,298**	**–**	**–**	**43,298**
Metal frame and smart furniture spare parts	**–**	**–**	**937,353**	**–**	**–**	**937,353**
Residential properties	**–**	**–**	**–**	**3,380**	**–**	**3,380**
Service income	**–**	**–**	**–**	**83,927**	**–**	**83,927**
Total	**5,640,607**	**982,127**	**980,651**	**87,307**	**464,496**	**8,155,188**
Geographical markets						
PRC (including Hong Kong and Macau)	**2,610,176**	**982,127**	**541,446**	**87,307**	**–**	**4,221,056**
North America	**2,466,441**	**–**	**120,578**	**–**	**–**	**2,587,019**
Europe	**289,773**	**–**	**87,866**	**–**	**464,496**	**842,135**
Others	**274,217**	**–**	**230,761**	**–**	**–**	**504,978**
Total	**5,640,607**	**982,127**	**980,651**	**87,307**	**464,496**	**8,155,188**
Timing of revenue recognition						
Goods transferred at a point in time	**5,640,607**	**982,127**	**980,651**	**3,380**	**464,496**	**8,071,261**
Services transferred over time	**–**	**–**	**–**	**83,927**	**–**	**83,927**
Total	**5,640,607**	**982,127**	**980,651**	**87,307**	**464,496**	**8,155,188**

For the six months ended 30 September 2025 (Unaudited)

Segments	Sofas and ancillary products *HK$'000*	Bedding and ancillary products *HK$'000*	Other products *HK$'000*	Other business *HK$'000*	Home Group business *HK$'000*	Total *HK$'000*
Types of goods or service						
Sofas and ancillary products	5,550,229	–	–	–	379,665	5,929,894
Bedding and ancillary products	–	1,119,060	–	–	–	1,119,060
Customization and chair	–	–	64,644	–	–	64,644
Metal frame and smart furniture spare parts	–	–	866,145	–	–	866,145
Residential properties	–	–	–	3,204	–	3,204
Service income	–	–	–	61,834	–	61,834
Total	5,550,229	1,119,060	930,789	65,038	379,665	8,044,781
Geographical markets						
PRC (including Hong Kong and Macau)	3,083,855	1,119,060	472,021	65,038	–	4,739,974
North America	1,990,317	–	170,305	–	–	2,160,622
Europe	228,216	–	115,975	–	379,665	723,856
Others	247,841	–	172,488	–	–	420,329
Total	5,550,229	1,119,060	930,789	65,038	379,665	8,044,781
Timing of revenue recognition						
Goods transferred at a point in time	5,550,229	1,119,060	930,789	3,204	379,665	7,982,947
Services transferred over time	–	–	–	61,834	–	61,834
Total	5,550,229	1,119,060	930,789	65,038	379,665	8,044,781

4 INCOME TAX

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax:		
PRC Corporate Income Tax	**92,370**	149,341
PRC Withholding Income Tax	**31,427**	35,269
PRC Land Appreciation Tax	**46,967**	24
U.S. Federal and State Corporate Income Taxes	**1,449**	1,065
Hong Kong Profits Tax	**50,132**	59,285
Others	**27,424**	18,625
Under provision in prior years	**15,515**	831
	265,284	264,440
Deferred tax credit	**(41,700)**	(2,664)
	223,584	261,776

5 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to owners of the Company and the weighted average number of ordinary shares outstanding as adjusted to reflect the treasury shares during the period ended 30 September 2026 and 2025.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to owners of the Company and the total of (i) the weighted average number of ordinary shares outstanding during the period, as used in the basic earnings per share calculation, and (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings:		
Profit for the period attributable to owners of the Company	**184,803**	1,145,578

	Six months ended 30 September	
	2026	2025
	'000	*'000*
	(Unaudited)	(Unaudited)
Shares:		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	**3,854,094**	3,878,083
Effect of dilution – weighted average number of ordinary shares:		
Share awards	**6,359**	71
	3,860,453	3,878,154

6 DIVIDENDS

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Final dividend declared and paid – HK$0.09 (2025: HK$0.12) per ordinary share	**345,956**	465,370

Subsequent to the end of the current interim period, the directors of the Company have determined that an interim dividend for the six months ended 30 September 2026 of HK$0.025 per share (30 September 2025: an interim dividend of HK$0.150 per share) will be paid to the shareholders of the Company whose names appear in the Company's register of members on 4 December 2026. The interim dividend has not been recognized as a liability at the end of the reporting period.

7 TRADE AND BILLS RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade and bills receivables		
Trade receivables	**2,139,931**	2,048,802
Bills receivables*	**113,046**	42,134
	2,252,977	2,090,936
Impairment losses	**(167,885)**	(143,124)
	2,085,092	1,947,812
Prepayments, deposits and other receivables		
Deposits paid for a land lease**	**–**	17,393
Prepayments and deposits paid for acquisition of property, plant and equipment**	**139,358**	93,714
Value-added taxes recoverable	**364,638**	330,065
Prepayments to suppliers	**282,563**	257,300
Loan receivables	**37,627**	36,646
Sundry receivables	**186,802**	158,062
Other deposits	**33,142**	29,103
	1,044,130	922,283
Impairment allowance	**(77,855)**	(75,250)
	966,275	847,033
Non-current portion	**(139,358)**	(111,107)
Current portion	**826,917**	735,926

* All bills receivables by the Group are with a maturity period of less than six months.

** Balances were classified as non-current.

The Group generally allows a credit period of 30 to 90 days for customers. An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0–90 days	**1,778,514**	1,627,248
91–180 days	**204,948**	206,174
Over 180 days	**101,630**	114,390
	2,085,092	1,947,812

8 TRADE PAYABLES AND OTHER PAYABLES AND ACCRUALS

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade payables	**831,081**	714,315
Other payables and accruals		
Accruals	**633,164**	610,300
Payables for acquisition of property, plant and equipment	**48,220**	62,307
Other payables	**232,941**	220,887
	914,325	893,494

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

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0–90 days	**787,262**	667,987
91–180 days	**4,468**	45,486
Over 180 days	**39,351**	842
	831,081	714,315

9 BANK AND OTHER BORROWINGS

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Unsecured bank borrowings	**3,662,861**	3,948,998
Secured other borrowings	**5,034**	5,283
Unsecured supplier financing arrangements	**403,914**	286,013
	4,071,809	4,240,294

The scheduled principal repayment dates of the Group with reference to the loan agreements are as follows:

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Analysed into:		
Bank loans repayable:		
Within one year	**4,070,881**	4,239,821
In the second year	**928**	473
	4,071,809	4,240,294

The Group's bank and other borrowings are denominated in HK$, RMB and US$, and carry interest at fixed and variable rates. The fixed rates range from 0.42% to 3.00% (31 March 2026: 0.65% to 3.00%). The variable rates are subject to either (i) the higher of Hong Kong Interbank Offered Rate plus a spread, ranging from 1.70% to 3.31% (31 March 2026: 1.70% to 3.88%), and best lending rate quoted by the Hongkong and Shanghai Banking Corporation Limited plus 1%; or (ii) Euro Interbank Offered Rate plus a spread, ranging from 4.42% to 7.58% (31 March 2026: 4.51% to 7.58%). The weighted average effective interest rates of the above variable-rate and fixed-rate bank and other borrowings were 2.94% and 1.45%, respectively (31 March 2026: 3.09% and 1.45%, respectively) per annum.

At the end of the reporting period, no assets are pledged against the Group's secured bank borrowings (31 March 2026: Nil) and the leased land located in the United States was under capital lease arrangement with carrying amount of HK$11,461,000 against the Group's other borrowing.

10 COMMITMENTS

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

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Contracted, but not provided for		
– Property, plant and equipment and right-of-use assets	**722,818**	674,681
	722,818	674,681

MARKET REVIEW AND BUSINESS REVIEW

During the Review Period, the global economic environment continued to face various challenges. Geopolitical risks drove up operating costs and exacerbated the operating environment, while international trade barriers showed no sign of easing, resulting in a slow recovery in the consumer market and imposing considerable pressure across sectors. Nonetheless, leveraging its deewply globalized operational footprint, coupled with its resilient operating model and sound financial management, the Group's core business maintained relatively stable performance and recorded a revenue of approximately HK$8,155,188,000, representing a slight increase of approximately 1.4% as compared with the corresponding period of last year. However, affected by rising production costs, the Group's gross profit margin decreased to approximately 35.8% from approximately 40.4% for the corresponding period of last year. In addition, upon the completion of the acquisition of Gainline Group based in the United States by the Group in December 2025, the deterioration in operating environment led to the recognition of impairment losses on related goodwill and other intangible assets, as a result of which profit attributable to equity owners of the Company decreased substantially by approximately 83.9% to approximately HK$184,803,000, and the net profit margin decreased to approximately 2.3% from approximately 14.2% for the corresponding period of last year.

PRC market

Looking back at the first half of the financial year, the PRC market remained constrained by the macro economy and the profound consolidation in the real estate sector, which led to persistently weak consumer confidence and a slow recovery in the retail market. Consumers became more cautious and price-sensitive in respect of large-ticket, durable and deferrable furniture items. In addition, the significant increase in production costs resulting from the surge in energy prices during the period presented the upholstered furniture sector with a more challenging operating environment, further intensifying industry competition and accelerating industry consolidation.

During the 1HFY2027, the Group carried out a comprehensive upgrade of its "First Class CHEERS" stores. Through brand segmentation, target customer profiling, the repositioning of its "Cheers Noble", "Cheers Gentleman" and "Cheers Urban" series and store renovations, the Group enabled customers to distinguish clearly between product styles and positioning tiers, thereby reducing identification costs, better conveying brand value, enhancing customer experience and strengthening brand loyalty.

During the Review Period, the Group's sales revenue from the PRC market recorded a year-on-year decrease of approximately 11.6% to approximately HK$4,133,749,000 (excluding revenue from real estate, shopping mall property and other businesses), with its percentage of the Group's total sales revenue decreasing from approximately 58.1% to approximately 50.7%. During the Review Period, sofa sales volume decreased by approximately 17.9% to approximately 396,000 sets, while the average selling price registered a slight increase as a result of product mix adjustment. During the Review Period, the number of stores was reduced to 6,206 stores (excluding Style (格調)) with a net decrease of 151 stores, in an effort to improve store operational efficiency.

Overseas markets

During the 1HFY2027, the Group's sales revenue from the North America market increased by approximately 19.7% year-on-year to approximately HK$2,587,019,000. Such increase was primarily attributable to the contribution from Gainline Group, which was acquired at the end of last year. Excluding the contribution from Gainline Group, sales revenue from the North America market would have decreased by approximately 7.0% year-on-year. The North America business faced significant adverse impacts arising from rising costs and persistent international logistics challenges. Rising costs exerted pressure on price competitiveness and profit margins, while logistics challenges further complicated shipment scheduling and timely delivery of goods to retail partners. These factors collectively resulted in a more challenging operating environment, affecting the business's ability to efficiently convert orders into shipments while maintaining competitiveness in terms of price and service quality. The shift in operating environment during the first half of the financial year highlighted the challenges faced by the Group and the importance of strengthening cost management, enhancing delivery efficiency and supporting retail partners in pursuing a more sustainable recovery. The North America market accounted for approximately 31.7% of the Group's total sales revenue, up from approximately 26.9%, while sofa sales volume increased by approximately 10.2% year-on-year to approximately 368,000 sets.

In terms of the European business, the Group established a strategic partnership with a UK-based warehousing and logistics solutions provider to support the wholesale of its recliner products. The partnership reinforced the Group's market strategy by shortening delivery lead times and offering retail partners tailored supply chain solutions. The Group also opened showrooms to showcase its product series and further support customer engagement and business expansion.

During the Review Period, the Group's sales revenue from the Europe and other overseas markets increased by approximately 15.4% on a year-on-year basis to approximately HK$882,617,000, with its percentage of the Group's total sales revenue increasing from approximately 9.5% to approximately 10.8%. Sofa sales volume recorded a year-on-year increase of approximately 20.0% to approximately 104,000 sets. These markets delivered solid performance results and are becoming increasingly important to the sustained development of the Group.

Home Group, a subsidiary of the Group, continued to deliver a sound performance and recorded sales revenue of approximately HK$464,496,000 for the Review Period, which represented a year-on-year increase of approximately 22.3%, with its percentage of the Group's revenue increasing to approximately 5.7%.

FINANCIAL REVIEW

Revenue, other income and gross profit margin

	Revenue and other income *(HK$'000)*			As a percentage of revenue and other income		Gross profit margin	
	1HFY2027	1HFY2026	**Change**	**1HFY2027**	1HFY2026	**1HFY2027**	1HFY2026
Sofas and ancillary products	**5,640,607**	5,550,229	1.6%	**68.6%**	67.3%	**36.8%**	41.7%
Bedding and ancillary products	**982,127**	1,119,060	-12.2%	**11.9%**	13.6%	**40.8%**	43.7%
Other products	**980,651**	930,789	5.4%	**11.9%**	11.3%	**23.9%**	28.4%
Home Group business	**464,496**	379,665	22.3%	**5.6%**	4.6%	**31.5%**	31.6%
Other businesses	**87,307**	65,038	34.2%	**1.1%**	0.8%	**73.4%**	95.7%
Revenue	**8,155,188**	8,044,781	1.4%	**99.1%**	97.6%	**35.8%**	40.4%
Other income	**74,255**	195,976	-62.1%	**0.9%**	2.4%	**–**	–
Revenue and other income	**8,229,443**	8,240,757	-0.1%	**100.0%**	100.0%		

For the Review Period, revenue and other income decreased by approximately 0.1% to approximately HK$8,229,443,000 (for the six months ended 30 September 2025 ("**1HFY2026**"): approximately HK$8,240,757,000). The overall gross profit margin was approximately 35.8% (approximately 40.4% for the corresponding period of last year).

During the Review Period, excluding Home Group business, the Group sold approximately 868,000 sets of sofa products (1HFY2026: approximately 902,000 sets), representing a decrease of approximately 3.8% (one set equals six seats, in calculating sofa sets, excluding chairs and other products which were sold to commercial clients), of which domestic sofa sales volume decreased by approximately 17.9% and export sofa sales volume increased by approximately 12.3%.

1 Sofas and ancillary products

During the Review Period, revenue from the sofas and ancillary products business was approximately HK$5,640,607,000, representing an increase of approximately 1.6% as compared with approximately HK$5,550,229,000 recorded in the last corresponding period, which was attributable to the combined effect of, among others, the increase of revenue from overseas markets by approximately 22.9% from approximately HK$2,466,374,000 in the last corresponding period to approximately HK$3,030,431,000, and the decrease of revenue from the PRC market by approximately 15.4% from approximately HK$3,083,855,000 in the last corresponding period to approximately HK$2,610,176,000.

2 Bedding and ancillary products

During the Review Period, revenue from the bedding and ancillary products business was approximately HK$982,127,000, representing a decrease of approximately 12.2% as compared to approximately HK$1,119,060,000 in the last corresponding period, which was mainly attributable to the notable consumption downgrade in the PRC market.

3 Other products

During the Review Period, the Group's revenue from other products reached approximately HK$980,651,000, representing an increase of approximately 5.4% as compared with approximately HK$930,789,000 in the last corresponding period, which was mainly attributable to the increase in sales of metal frames and smart furniture.

4 Home Group business

During the Review Period, the Group's revenue from Home Group was approximately HK$464,496,000, up by approximately 22.3% as compared with approximately HK$379,665,000 in the last corresponding period, which was mainly attributable to the increased demand from the European market.

5 Other businesses

During the Review Period, the Group's revenue from the real estate, hotel, furniture mall, turnkey fit-out services for commercial residences and other property leasing reached approximately HK$87,307,000, up by approximately 34.2% as compared with approximately HK$65,038,000 in the last corresponding period, which was mainly attributable to the increase in revenue from turnkey fit-out services for commercial residences and property leasing.

6 Other income

During the Review Period, the Group's other income (as detailed under the paragraph headed "Other Income" below) amounted to approximately HK$74,255,000, representing a decrease of approximately 62.1% from approximately HK$195,976,000 in the last corresponding period.

Cost of goods sold

Breakdown of cost of goods sold

	1HFY2027	1HFY2026	**Change**
	HK$'000	*HK$'000*	
Cost of raw materials	**3,781,761**	3,549,069	6.6%
Labour costs	**1,111,114**	940,791	18.1%
Manufacturing overhead	**339,143**	304,760	11.3%
Total	**5,232,018**	4,794,620	9.1%

Cost of raw materials is a component of cost of goods sold and the year-on-year increase percentage was larger than that of revenue mainly due to the increase in unit cost, which is presented as follows:

Major raw materials	**Average unit cost year-on-year change**
Leather	-0.5%
Steel products	1.1%
Wood	-5.7%
Fabric	5.6%
Chemicals	31.8%
Packaging paper	5.8%

Other income

During the 1HFY2027, the Group's other income decreased by approximately 62.1% from approximately HK$195,976,000 in the corresponding period last year to approximately HK$74,255,000. The decrease was mainly due to the decrease in government subsidies and interest income.

	1HFY2027	1HFY2026	**Change**
	HK$'000	*HK$'000*	
Income from sales of scrap*	**18,475**	22,300	-17.2%
Government subsidies**	**15,897**	100,921	-84.2%
Interest income***	**35,460**	70,059	-49.4%
Others	**4,423**	2,696	64.1%
Total	**74,255**	195,976	-62.1%

Notes:

* Income from sales of scrap is revenue from the sales of leather scrap, cotton, wood and others generated in the normal production process of the Group's sofas and bedding products.

** Government subsidies mainly consist of financial subsidies from local governments to subsidiaries which are responsible for the sales of products and providing services in the PRC market.

*** Interest income originates from the use of temporarily unutilized funds by the Group to invest in time deposits with major commercial banks in China.

Other losses, net

During the 1HFY2027, the net other losses of the Group amounted to approximately HK$371,684,000, as compared with net other losses of approximately HK$33,475,000 in the last corresponding period. The aforesaid losses in the Review Period were mainly attributable to the impairment losses on goodwill, intangible assets and receivables.

Selling and distribution expenses

Selling and distribution expenses increased by approximately 7.5% from approximately HK$1,539,021,000 in the 1HFY2026 to approximately HK$1,653,695,000 in the 1HFY2027. Selling and distribution expenses as a percentage of revenue increased from approximately 19.1% in the 1HFY2026 to approximately 20.3% in the 1HFY2027, including:

(a) Offshore transportation and port charges increased by approximately 2.3% from approximately HK$329,872,000 to approximately HK$337,491,000, and their percentage in revenue was approximately 4.1%, which was the same as that recorded in 1HFY2026. Domestic transportation expenses decreased by approximately 10.4% from approximately HK$228,005,000 to approximately HK$204,310,000. Domestic transportation expenses

as a percentage of revenue decreased from approximately 2.8% in the 1HFY2026 to approximately 2.5% in the 1HFY2027, which was mainly attributable to the decrease in transportation expenses as a result of the decrease in domestic sales;

(b) Advertising, promotion and brand building expenses increased by approximately 24.6% from approximately HK$229,273,000 to approximately HK$285,658,000. Advertising, promotion and brand building expenses as a percentage of revenue increased from approximately 2.8% in the 1HFY2026 to approximately 3.5% in the 1HFY2027, which was mainly attributable to the increase in domestic promotion;

(c) Salaries and welfare of sales staff increased by approximately 1.1% from approximately HK$331,684,000 to approximately HK$335,319,000. Salaries and welfare of sales staff as a percentage of revenue was approximately 4.1%, which was the same as that recorded in 1HFY2026; and

(d) Tariffs on goods exported to the United States increased by approximately 27.7% from approximately HK$78,826,000 to approximately HK$100,686,000. Tariffs on goods exported to the United States as a percentage of revenue increased from approximately 1.0% in the 1HFY2026 to approximately 1.2% in the 1HFY2027, which was mainly attributable to the increase in US tariff rates during the Review Period.

Administrative and other expenses

Administrative and other expenses increased by approximately 32.7% from approximately HK$364,089,000 in the 1HFY2026 to approximately HK$483,156,000 in the 1HFY2027. Administrative and other expenses as a percentage of revenue increased from approximately 4.5% in the 1HFY2026 to approximately 5.9% in the 1HFY2027.

Share of results of a joint venture

During the Review Period, share of losses of a joint venture was approximately HK$205,000 (1HFY2026: share of losses of a joint venture of approximately HK$1,258,000).

Finance costs

Finance costs increased by approximately 15.8% from approximately HK$40,184,000 in the 1HFY2026 to approximately HK$46,547,000 in the 1HFY2027. Such costs were mainly interest expenses of loans.

Income tax expense

Income tax expense decreased by approximately 14.6% from approximately HK$261,776,000 in the 1HFY2026 to approximately HK$223,584,000 in the 1HFY2027. Income tax as a percentage of profit before tax increased from approximately 17.8% in the 1HFY2026 to approximately 50.6% in the 1HFY2027. This was mainly attributable to the impact of impairment losses on goodwill, intangible assets and receivables.

Profit attributable to equity owners of the Company and net profit margin

The profit attributable to equity owners of the Company decreased by approximately 83.9% from approximately HK$1,145,578,000 in the 1HFY2026 to approximately HK$184,803,000 in the 1HFY2027. The net profit margin of the Group was approximately 2.3% during the Review Period (approximately 14.2% in the 1HFY2026). This was mainly attributable to the decrease in gross profit margin caused by rising raw material prices, as well as impairment losses on goodwill, intangible assets and receivables.

Working capital

As at 30 September 2026, the Group's cash and bank balances (excluding restricted bank balances) were approximately HK$2,548,944,000. During the Review Period, turnover of the Group's working capital was good, and account receivables and inventory turnover days were kept at relatively low levels. The Group seeks to effectively manage its cash flow and capital commitments to ensure that it has sufficient funds to meet its existing and future cash requirements. The Group has not experienced and does not expect any difficulties in fulfilling the cash requirement for its operation in the absence of any unforeseen circumstances.

Liquidity and capital resources

As at 30 September 2026, the Group's short-term borrowings amounted to approximately HK$4,070,881,000 and long-term borrowings amounted to approximately HK$928,000. The Group's borrowings are denominated in HK$, RMB and US$ and carry interest at fixed and variable rates. The fixed rates range from 0.42% to 3.00% (for the year ended 31 March 2026: 0.65% to 3.00%). The variable rates are subject to either: (i) the higher of Hong Kong Interbank Offered Rate plus a spread ranging from 1.70% to 3.31% (for the year ended 31 March 2026: 1.70% to 3.88%), and best lending rate quoted by The Hongkong and Shanghai Banking Corporation Limited plus 1%; or (ii) Euro Interbank Offered Rate plus a spread ranging from 4.42% to 7.58% (for the year ended 31 March 2026: 4.51% to 7.58%). The weighted average effective interest rates of the above variable-rate and fixed-rate bank borrowings were 2.94% and 1.45%, respectively (for the year ended 31 March 2026: 3.09% and 1.45%, respectively) per annum.

The Group's primary source of working capital is cash flow from operating activities and bank deposits. As at 30 September 2026, the Group's current ratio was approximately 1.3 (31 March 2026: approximately 1.4). As at 30 September 2026, the Group's gearing ratio was approximately 28.7% (31 March 2026: approximately 29.9%), which is the product of dividing the total borrowings by total equity attributable to equity owners of the Group.

Pledge of assets

As at 30 September 2026, the restricted bank balances amounted to approximately HK$148,461,000. No assets were pledged against the Group's secured bank borrowings and the leased land located in the United States was under capital lease arrangement with carrying amount of HK$11,461,000 against the Group's other borrowings.

Capital commitments and contingent liabilities

Save as disclosed in Note 10 to the interim condensed consolidated financial information, the Group did not have any material capital commitments.

As at 30 September 2026, the Group did not have any material contingent liabilities.

Foreign currency risks

The Group's exposure to currency risks is mainly attributable to trade and other receivables, bank balances, trade and other payables and bank borrowings, which are denominated in currencies other than the functional currency of respective entities of the Group. Except for the business of Home Group, most of the Group's sales in overseas markets are settled in USD, which effectively ameliorates the exchange rate fluctuation risk of settlement in other currencies. The Group's sales in Mainland China and Hong Kong markets are settled in RMB and HK$, respectively. Except for the business of Home Group, the Group's costs are mainly settled in USD, RMB and HK$. The revenue of Home Group's current business in Europe is settled mainly in Euro, while the cost is settled mainly in Euro, Ukrainian Hryvnia and Polish Zloty. The Group conducts its sales in overseas markets and Mainland China, and also procures raw materials from both the PRC market and overseas markets, which helps to reduce the Group's exposure to the foreign exchange risk.

Significant investments and material acquisitions and disposals

On 18 December 2025, the Group acquired the entire issued share capital of Gainline Recline Intermediate Corp. ("**Gainline**", together with its subsidiaries, the "**Gainline Group**") from an independent third party for a consideration of US$32,000,000 (the "**Acquisition**"). The Gainline Group is principally engaged in investment holding and manufacturing and trading of upholstered furniture in the United States, and the Acquisition is expected to provide the Group with access to US manufacturing facilities and established US brands, thereby better positioning the Group amid geopolitical and macroeconomic conditions. For further details, please refer to the announcements of the Company dated 18 December 2025, 24 December 2025 and 31 August 2026.

As disclosed in the announcement of the Company dated 31 August 2026, Southern Motion, Inc., a direct wholly-owned subsidiary of Gainline, has filed for Chapter 11 bankruptcy proceedings in the United States.

Save as disclosed above, the Group did not have any significant investments or material acquisitions or disposals of subsidiaries, associates or joint ventures during the 1HFY2027. The Group will continue to seek opportunities to acquire furniture companies to accelerate the development of the Group.

HUMAN RESOURCES

As at 30 September 2026, the Group had 24,170 employees (31 March 2026: 26,050 employees).

The Group firmly believes that staff is its most important resource, and provides its staff with sound working and living conditions at the main manufacturing bases to help them work with ease. Meanwhile, the Group has developed a comprehensive staff training and development system to enable staff to grow together with the Group. After years of effort, the Group has also developed a relatively sophisticated performance evaluation system for staff at all levels, as a foundation for motivating staff.

During the 1HFY2027, the total staff cost for the Group amounted to approximately HK$1,634,474,000 (1HFY2026: approximately HK$1,426,114,000), of which approximately HK$9,162,000 (1HFY2026: approximately HK$10,309,000) was directors' emoluments. The Group endeavours to keep the remuneration packages of its employees competitive and reward employees on a performance and merit basis with reference to the profitability of the Group and prevailing market conditions. As part of the Group's remuneration system and policy, the Group has adopted a share award scheme to reward employees and incentivise them to perform better.

FUTURE PLANS

Looking ahead, China's retail market will remain full of challenges. The Group will continue to strengthen its brand and store image, empower and assist distributors in continuously enhancing store operating efficiency, and increase its portfolio of premium products to stabilize average selling prices, thereby consolidating the leading position of "First Class CHEERS" in the Chinese market.

In the North America market, the Group continued to advance the reorganization of its distribution structure by dividing it into five independent business units. Each business unit will focus on serving distinct distribution channels and customer segments. This channel-focused strategy is designed to enable dedicated management teams to better meet the needs of their respective markets, thereby delivering more tailored product assortments, merchandizing strategies and service solutions. The Group believes that this structure will drive deeper market penetration, improve customer relationships and enhance overall operating efficiency.

To support the implementation of this strategy and its next phase of development, the Group is actively recruiting talent to strengthen its team. These measures are intended to strengthen the Group's capabilities and the execution of each business unit, and ensure that the Group can better achieve its growth objectives.

The encouraging growth in the Group's sales showed positive momentum in order volume. Looking ahead, the management will remain committed to sustaining such growth momentum through close collaboration with retail partners, provision of highly attractive products and responsive services, while ensuring the timely conversion of orders into shipments through effective coordination of sales, production and delivery.

In terms of the European market, with the deployment of more sales managers across various countries throughout the year, the Group recorded increased visits by overseas partners to its booths during the China International Furniture Fair and the Shanghai Furniture Fair, as well as more frequent engagement with potential new customers. The Group will remain committed to strengthening relationships with key retail partners, expanding its product offering and enhancing market penetration in Europe, particularly in the UK and Ireland. The Group will prioritize developing differentiated and higher-value products, strengthening wholesale planning and logistics capabilities, enhancing showroom and sales support, and facilitating sustainable profit growth through disciplined pricing and cost management.

The Group will continue to consolidate its leadership position across North America and Europe while selectively expanding into new channels and emerging markets to cultivate additional long-term growth opportunities. The Group also remains committed to enhancing product intelligence, health-oriented functionality, comfort innovation and consumer lifestyle integration. Taking into account the Group's investment in talent and distribution capabilities, these measures are intended to further strengthen the competitiveness of its brands and enhance the value they create for customers and consumers in the global market.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK2.5 cents per share (six months ended 30 September 2025: an interim dividend of HK15.0 cents per share) payable to those shareholders of the Company whose names appear on the Company's register of members on Friday, 4 December 2026.

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

During the 1HFY2027, the Company repurchased a total of 34,132,000 ordinary shares of the Company at an aggregate purchase price of HK$126,595,400 (before brokerage and expenses) on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Details of the repurchase of such shares are as follows:

Month of repurchase	**Number of ordinary shares repurchased**	**Price per ordinary share**		**Aggregate purchase price**
		Highest *(HK$)*	**Lowest** *(HK$)*	*(HK$)*
May 2026	23,204,000	3.83	3.52	85,591,000
June 2026	10,928,000	3.89	3.66	41,004,400
Total	34,132,000			126,595,400

The repurchased shares were cancelled during the Review Period. The issued share capital of the Company was accordingly reduced by the par value of the repurchased shares so cancelled. The above repurchases were effected by the Directors of the Company pursuant to the mandate approved by the Shareholders, with a view to benefiting the Shareholders as a whole in enhancing the return on net assets and earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares as defined in the Listing Rules, if any) during the six months ended 30 September 2026.

As at the date of this announcement, there were no treasury shares (as defined in the Listing Rules) held by the Company.

AUDIT COMMITTEE

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Yang Siu Shun (Chairman), Mr. Ding Yuan and Mr. Lam Yin Shing, Donald.

The Company has engaged Ernst & Young, the auditor of the Company ("**Auditor**"), to assist the Audit Committee to review the interim financial information of the Group for the six months ended 30 September 2026. The interim financial information of the Group for the six months ended 30 September 2026 has been reviewed by the Auditor in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The interim financial information of the Group for the six months ended 30 September 2026 has also been reviewed by the Audit Committee.

EVENTS AFTER THE REPORTING PERIOD

As disclosed in the announcement of the Company dated 11 November 2026, Mr. Zhang Xian has ceased to act as the company secretary of the Company (the "**Company Secretary**") with effect from 11 November 2026 and Ms. Jiang Ying has been appointed as the Company Secretary with effect from 11 November 2026. For further details, please refer to the announcement of the Company dated 11 November 2026.

Save as disclosed in this announcement, the Group has no material events subsequent to the Review Period to be disclosed.

CLOSURE OF REGISTER OF MEMBERS

Shareholders whose names appear on the Company's register of members on Friday, 4 December 2026 will be eligible for the interim dividend. The transfer books and the register of members of the Company will be closed from Thursday, 3 December 2026 to Friday, 4 December 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for determining shareholders' entitlement to the proposed interim dividend will be Friday, 4 December 2026. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 2 December 2026. The interim dividend is expected to be payable on or before Tuesday, 22 December 2026 to the shareholders whose names appear on the register of members of the Company on Friday, 4 December 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the six months ended 30 September 2026, the Company has applied the principles of, and complied with, the applicable code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules, save for the following deviation. The Company periodically reviews its corporate governance practices to ensure that they continue to meet the requirements of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Currently, Mr. Wong Man Li is the chief executive officer of the Company. Mr. Wong Man Li, who also acts as the Chairman and Managing Director of the Company, has been responsible for overseeing the general operations of the Group. The Board meets regularly to consider major matters concerning the operations of the Group. The Board considers that this structure has not impaired the balance of power and authority between the Board and the management of the Company as all major decisions have been made in consultation with the Board and appropriate Board committees, as well as management. The roles of the respective executive directors and senior management who are in charge of different functions complement the role of the chairman and chief executive officer. In addition, there are four independent non-executive Directors on the Board offering their experience, expertise, independent advice and views from different perspectives. The Board is therefore of the view that there is an adequate balance of power and safeguards in place. The Board believes that this structure has allowed the Group to operate efficiently. The Board will continue to review the current structure from time to time and will make necessary changes when appropriate and inform the shareholders accordingly.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company for directors' securities transactions. Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the required standard set out in the Model Code and the Company's code of conduct regarding directors' securities transactions throughout the six months ended 30 September 2026.

By order of the Board
Man Wah Holdings Limited
Wong Man Li
Chairman

Hong Kong, 16 November 2026

As at the date of this announcement, the executive Directors are Mr. Wong Man Li, Ms. Hui Wai Hing, Mr. Alan Marnie, Mr. Dai Quanfa and Ms. Wong Ying Ying; and the independent non-executive Directors are Mr. Ding Yuan, Mr. Yang Siu Shun, Mr. Lam Yin Shing, Donald and Mr. Chan Hak Kan.