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Karrie International Holdings Limited
嘉利國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1050)

UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	For the six months ended 30 September		
	2026	2025	Change
Revenue *(HK$'000)*	**2,253,690**	1,608,745	40%
Profit attributable to equity shareholders *(HK$'000)*	**205,127**	101,726	102%
Basic earnings per share *(HK cents)*	**9.9**	5.0	98%
Diluted earnings per share *(HK cents)*	**9.6**	5.0	92%
Interim dividend per share *(HK cents)*	**2.5**	1.5	67%

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Karrie International Holdings Limited (the "**Company**") announced the unaudited consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 September 2026 as follows:

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026
(Expressed in Hong Kong dollars)

	Note	**30 September 2026**	31 March 2026
		$'000	*$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**978,186**	907,901
Investment property		**143,295**	135,850
Intangible assets		**39**	24
Investments in associates		**97,917**	96,434
Other financial assets		**20,818**	20,480
Other non-current assets	*4*	**293,791**	84,372
Deferred tax assets		**4,207**	4,207
		1,538,253	1,249,268
Current assets			
Inventories		**836,165**	678,531
Trade and bills receivables	*4*	**1,089,026**	855,744
Prepayments, deposits and other receivables	*4*	**178,192**	97,648
Amounts due from related companies		**6,410**	5,978
Current tax recoverable		**2,017**	2,017
Cash and bank deposits		**253,639**	338,130
		2,365,449	1,978,048
Total assets		**3,903,702**	3,227,316
EQUITY			
Capital and reserves attributable to equity shareholders of the Company			
Share capital		**208,768**	208,730
Other reserves		**444,673**	396,823
Retained earnings		**966,453**	856,328
Total equity		**1,619,894**	1,461,881

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 September 2026
(Expressed in Hong Kong dollars)

	Note	**30 September 2026**	31 March 2026
		$'000	*$'000*
LIABILITIES			
Current liabilities			
Trade payables	*5*	**766,385**	590,927
Accruals and other payables		**293,190**	194,719
Bank borrowings	*7*	**621,842**	533,005
Lease liabilities		**19,057**	13,125
Amount due to an associate		**1,180**	933
Amounts due to related companies		**4,399**	3,981
Current tax payable		**160,656**	131,983
		1,866,709	1,468,673
Non-current liabilities			
Bank borrowings	*7*	**241,250**	125,000
Convertible bond	*6*	**110,915**	108,939
Derivative liability	*6*	**35,983**	35,983
Lease liabilities		**25,043**	22,932
Provision for long service payments		**674**	674
Deferred tax liabilities		**3,234**	3,234
		417,099	296,762
Total liabilities		**2,283,808**	1,765,435
Total equity and liabilities		**3,903,702**	3,227,316
Net current assets		**498,740**	509,375
Total assets less current liabilities		**2,036,993**	1,758,643

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2026
(Expressed in Hong Kong dollars)

		For the six months ended 30 September	
		2026	2025
	Note	***$'000***	*$'000*
Revenue	*3*	**2,253,690**	1,608,745
Cost of revenue		**(1,879,374)**	(1,375,434)
Gross profit		**374,316**	233,311
Distribution and selling expenses		**(18,195)**	(12,074)
General and administrative expenses		**(98,928)**	(52,987)
Other net income	*8*	**2,305**	2,567
Operating profit		**259,498**	170,817
Finance costs, net	*11*	**(18,301)**	(12,705)
Loss on disposal of subsidiaries	*9*	**—**	(39,352)
Share of profits of associates		**164**	2,273
Profit before taxation		**241,361**	121,033
Income tax	*12*	**(36,234)**	(19,307)
Profit for the period		**205,127**	101,726
Earnings per share attributable to equity shareholders of the Company			
Basic earnings per share *(HK cents)*	*13*	**9.9**	5.0
Diluted earnings per share *(HK cents)*	*13*	**9.6**	5.0

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2026
(Expressed in Hong Kong dollars)

	For the six months ended 30 September	
	2026	2025
	$'000	*$'000*
Profit for the period	**205,127**	101,726
Other comprehensive income for the period:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of operations outside Hong Kong	**41,847**	(1,437)
Changes in fair value of other financial assets	**58**	57
Other comprehensive income for the period	**41,905**	(1,380)
Total comprehensive income for the period	**247,032**	100,346

NOTES

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

The interim results set out in this preliminary announcement do not constitute the Group's interim financial report for six months ended 30 September 2026 but are extracted from that interim financial report. The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), including compliance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). This interim financial report is unaudited but has been reviewed by the Group's audit committee.

This interim financial report should be read in conjunction with the annual financial statements for the year ended 31 March 2026, which have been prepared in accordance with HKFRS Accounting Standards.

This interim financial report has been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 March 2026, except for the accounting policy changes that are expected to be reflected in the annual financial statements for the year ending 31 March 2027. Details of the changes in accounting policies are set out in Note 2.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures — Amendments to the classification and measurement of financial instruments* by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report.

The Group has not applied any new standard or interpretation that is not yet effective for current accounting period.

The preparation of financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

3 SEGMENT REPORTING

The Group's chief operating decision-maker ("**Management**") reviews the Group's internal reports periodically in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has three major operating segments based on product categories (for the six months ended 30 September 2025: three). They are (i) server enclosures (general & AI), (ii) EV charger enclosures & other products and (iii) storage products.

Management considers the business from both geographical and products and services perspectives. From a products and services perspective, Management assesses the performance of server enclosures (general & AI), EV charger enclosures & other products and storage products. In addition, there is further evaluation on a geographical basis (Japan, Hong Kong, Mainland China, Asia (excluding Japan, Hong Kong and Mainland China), North America and Western Europe). Management assesses the performance of the operating segments based on operating profit. Segment information provided to Management for decision making is measured in a manner consistent with that in the interim financial report. There are no sales between the reportable segments.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management and accordingly, no segment assets or liabilities information is presented.

3 SEGMENT REPORTING (CONTINUED)

The segment results for the six months ended 30 September 2026 are as follows:

	For the six months ended 30 September 2026				
	Server enclosures (general & AI)	**EV charger enclosures & other products**	**Storage products**	**Others**	**Total**
	$'000	***$'000***	***$'000***	***$'000***	***$'000***
Reportable segment revenue					
Revenue from external customers	**1,335,273**	**103,390**	**815,027**	**—**	**2,253,690**
Gross profit	**336,404**	**12,916**	**24,996**	**—**	**374,316**
Distribution and selling expenses and general and administrative expenses	**(104,791)**	**(4,023)**	**(7,787)**	**(522)**	**(117,123)**
Other net income	**1,783**	**69**	**133**	**320**	**2,305**
Operating profit/(loss)	**233,396**	**8,962**	**17,342**	**(202)**	**259,498**

The segment results for the six months ended 30 September 2025 are as follows:

	For the six months ended 30 September 2025				
	Server enclosures (general & AI)	EV charger enclosures & other products	Storage products	Others	Total
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Reportable segment revenue					
Revenue from external customers	863,876	128,133	616,736	—	1,608,745
Gross profit	197,624	20,549	15,138	—	233,311
Distribution and selling expenses and general and administrative expenses	(64,886)	(6,747)	(4,970)	11,542	(65,061)
Other net income	1,899	197	145	326	2,567
Operating profit	134,637	13,999	10,313	11,868	170,817

3 SEGMENT REPORTING (CONTINUED)

A reconciliation of operating profit to profit before taxation is provided as follows:

	For the six months ended 30 September	
	2026	2025
	$'000	*$'000*
Operating profit	**259,498**	170,817
Finance costs, net	**(18,301)**	(12,705)
Loss on disposal of subsidiaries	**—**	(39,352)
Share of profits of associates	**164**	2,273
Profit before taxation	**241,361**	121,033

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

	30 September 2026	31 March 2026
	$'000	*$'000*
Trade and bills receivables	**1,111,390**	877,474
Less: Loss allowance for trade and bills receivables	**(22,364)**	(21,730)
	1,089,026	855,744
Prepayments, deposits and other receivables *(Note)*	**471,983**	182,020
	1,561,009	1,037,764
Less: Other non-current assets *(Note)*	**(293,791)**	(84,372)
	1,267,218	953,392
Representing:		
Trade and bills receivables, net of allowance	**1,089,026**	855,744
Prepayments, deposits and other receivables	**178,192**	97,648
	1,267,218	953,392
Other non-current assets	**293,791**	84,372

Note: As at 30 September 2026, the Group has purchased $33,464,000 (31 March 2026: $14,005,000) in respect of the tax reserve certificates included in prepayments, deposits and other receivables. Details are set out in Note 12.

Other non-current assets represent deposits paid for the purchase of property, plant and equipment and intangible assets amounted to approximately $293,791,000 (31 March 2026: $84,372,000).

4 TRADE AND BILLS RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

The Group generally grants credit periods ranging from 30 to 90 days. An ageing analysis of trade and bills receivables, based on invoice date, is as follows:

	30 September 2026	31 March 2026
	$'000	*$'000*
0 to 90 days	**962,855**	736,803
91 to 180 days	**128,945**	113,267
181 to 360 days	**18,229**	27,208
Over 360 days	**1,361**	196
	1,111,390	877,474

The maximum exposure to credit risk at the reporting date is the carrying value of trade and bills receivables, deposits and other receivables stated above. The Group does not hold any collateral as security.

5 TRADE PAYABLES

An ageing analysis of trade payables, based on invoice date, is as follows:

	30 September 2026	31 March 2026
	$'000	*$'000*
0 to 90 days	**693,143**	532,247
91 to 180 days	**68,552**	54,745
181 to 360 days	**4,006**	2,910
Over 360 days	**684**	1,025
	766,385	590,927

6 CONVERTIBLE BOND AND DERIVATIVE LIABILITY

On 13 October 2025, the Company entered into a subscription agreement with Mr. Ho Cheuk Fai for the subscription of convertible bond with an aggregate principal amount of $150,000,000 with term of 3 years from the date of issue of the convertible bond, carrying interest at a rate of 2.00% per annum, payable in arrears in every six calendar months from the issue date. The convertible bond entitled the bondholder to convert them into ordinary shares of the Company at any time from the date of issue of the convertible bond up to three business days immediately before 12 October 2028 (the "**Maturity Date**"), at a conversion price of $2.3 per conversion share, subject to clauses of adjustments to conversion price (the "**Conversion Option**"). Mr. Ho Cheuk Fai is the executive Director, Chairman and a controlling shareholder of the Company. Mr. Ho Cheuk Fai was also the chief executive officer of the Company at the time of the subscription. Accordingly, the subscription of convertible bond constituted a connected transaction under Chapter 14A of the Listing Rules. Further details of the convertible bond are set out in the announcement dated 13 October 2025 and 14 November 2025, respectively.

The conversion price will be subject to adjustments in the events of subdivision or consolidation of shares, capitalisation of profits or reserves, capital distributions, issue of shares or convertible securities at less than 95% of market price of shares or underlying shares of the Company.

If, as a result of adjustments to the conversion price, additional ordinary shares of the Company are required to be issued upon the bondholder exercising their rights to the Conversion Option, and the total number of conversion shares would otherwise exceed the threshold of 65,217,391 ordinary shares as defined in the subscription agreement, the Company will settle the exceeded principal.

The convertible bond is regarded as combined instruments consisting of liability and a derivative liability component. At the date of issue, the fair value of the derivative component is determined to use an option pricing model; this amount is carried as derivative liability that is subsequently measured at fair value through profit or loss until extinguished on conversion. The remainder of the proceeds is allocated to the liability component and is carried as a liability at amortised cost using the effective interest method until extinguished on conversion.

Transaction costs of $266,000 were considered to be immaterial, and were fully expensed to profit or loss during the year ended 31 March 2026.

6 CONVERTIBLE BOND AND DERIVATIVE LIABILITY (CONTINUED)

The proceeds received from the issue of the convertible bond have been split between the liability element and the derivative component, as follows:

	30 September 2026 *$'000*
Nominal value of convertible bond issued	150,000
Less: derivative component	(42,886)
Liability component at date of issue	107,114
Add: interest expense	1,825
Liability component at 31 March 2026 and 1April 2026	108,939
Add: interest expense	1,976
Liability component at 30 September 2026	110,915

	Conversion option *$'000*
Derivative component at date of issue	42,886
Less: gain in fair value of derivatives embedded in convertible bond	(6,903)
Derivative component at 31 March 2026, 1 April 2026 and 30 September 2026	35,983

The interest charged for the period is calculated by applying an effective interest rate of 3.68% to the liability component since the convertible bond was issued.

The derivative component is measured at its fair value at the date of issue and at the end of each reporting period. The fair value is estimated using Binomial Model.

7 BANK BORROWINGS

	30 September 2026	31 March 2026
	$'000	*$'000*
Portion of bank borrowings repayable within one year or are subject to repayment on demand clauses and classified as current liabilities	**621,842**	533,005
Portion of bank borrowings repayable after one year and classified as non-current liabilities		
After 1 year but within 2 years	**76,250**	125,000
After 2 years but within 5 years	**165,000**	—
	241,250	125,000
Total bank borrowings	**863,092**	658,005

8 OTHER NET INCOME

	For the six months ended 30 September	
	2026	2025
	$'000	*$'000*
Rental income	**961**	1,227
Gain/(loss) on disposal of property, plant and equipment	**208**	(105)
Others	**1,136**	1,445
	2,305	2,567

9 LOSS ON DISPOSAL OF SUBSIDIARIES

During the six months ended 30 September 2025, the Group entered into a Sale and Purchase Agreement with an independent third party, Hong Kong Aired Trading Co., Limited, to dispose of its entire 100% equity interest in its subsidiaries at a total consideration of $16,345,000. As such, a net loss on disposal of $39,352,000 was recognised in profit or loss for the six months ended 30 September 2025. The transaction was completed on 2 September 2025.

The net assets of the subsidiaries at the date of disposal were as follows:

	For the six months ended 30 September 2025
	$'000
Net assets disposed of:	
Investment properties	**(45,502)**
Accruals and other payables	**2,537**
Net assets disposed	**(42,965)**
Proceeds on disposal	**16,345**
Release of translation reserve upon disposal of subsidiaries	**(12,732)**
Loss on disposal of subsidiaries	**(39,352)**
Net cash inflow arising on disposal:	
Total cash consideration received	**16,345**

10 EXPENSES BY NATURE

	For the six months ended 30 September	
	2026	2025
	$'000	*$'000*
Amortisation and depreciation of property, plant and equipment	**68,058**	61,290
Amortisation of intangible assets	**8**	912
Employee benefit expenses (including directors' remuneration)	**340,969**	254,667

11 FINANCE COSTS, NET

	For the six months ended 30 September	
	2026	2025
	$'000	*$'000*
Finance income		
Interest income from financial assets measured at amortised cost	**780**	912
Other interest income from financial assets measured at fair value through other comprehensive income (recycling)	**203**	197
	983	1,109
Finance costs		
Interest expense from financial liabilities measured at amortised cost	**(15,792)**	(11,257)
Interest expense on lease liabilities	**(1,516)**	(1,079)
Interest expense on a controlling shareholder loan	**—**	(1,478)
Interest expense on convertible bond	**(1,976)**	—
	(19,284)	(13,814)
Finance costs, net	**(18,301)**	(12,705)

12 INCOME TAX

Hong Kong Profits Tax has been provided at the rate of 16.5% (for the six months ended 30 September 2025: 16.5%) on the estimated assessable profit for the period for all Group companies incorporated in Hong Kong.

The Group's operations in the People's Republic of China ("**PRC**") are subject to Corporate Income Tax Law of the PRC at the standard tax rate of 25% (for the six months ended 30 September 2025: 25%), except for two PRC subsidiaries of the Group were being rewarded with Certificate of High and New Technology Enterprise and entitled to a tax reduction from 25% to 15%. The entitlement is subject to review every three years.

As at 30 September 2026, the Inland Revenue Department of Hong Kong ("**IRD**") has issued notices of additional profit tax assessment demanding additional tax payable of $40,610,000 (31 March 2026: $40,610,000) in total for the years of tax assessment from 2016/17 to 2019/20 in connection with the tax treatment relating to contract processing arrangement in the PRC.

Having reviewed the merits of the additional tax assessments, the directors of the Company have determined to strongly contest the additional assessments raised by the IRD. The Group has lodged objections against the additional tax assessment for the year of assessment 2016/17 to 2019/20. As at 30 September 2026, the IRD has agreed to holdover the payment of the additional tax demanded of $33,464,000 (31 March 2026: $33,464,000) by way of purchasing an equivalent amount of tax reserve certificates ("**TRCs**") and has agreed to holdover the remainder of $7,146,000 (31 March 2026: $7,146,000) unconditionally. No additional tax provision has been made during the six months ended 30 September 2026 in respect of the above additional tax assessments on the basis that the management considers the Company has a technical position to defend the tax treatment adopted.

The purchased TRCs of $33,464,000 (31 March 2026: $14,005,000) were included in "Prepayments, deposits and other receivables" in the Group's unaudited consolidated statement of financial position as at 30 September 2026.

13 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue after adjusting for the potential dilutive effect of the outstanding options during the period.

	For the six months ended 30 September	
	2026	2025
Profit attributable to equity shareholders of the Company *($'000)*	**205,127**	101,726
Allocation of profit attributable to unvested shares held for Share Award Plan *($'000)*	**—**	(288)
Profit attributable to equity shareholders of the Company (adjusted) *($'000)*	**205,127**	101,438
Effect of dilutive potential ordinary share — Interest on convertible bond *($'000)*	**1,976**	—
Profit for the period attributable to owners of the Company for the purpose of calculating diluted earnings per share	**207,103**	101,438

13 EARNINGS PER SHARE (CONTINUED)

	For the six months ended 30 September	
	2026	2025
Weighted average number of ordinary shares as at 1 April *(in thousand shares)*	**2,075,889**	2,021,459
Effect of share options exercised *(in thousand shares)*	**434**	29
Cancellation of treasury shares *(in thousand shares)*	**(570)**	—
Effect of shares purchased under the Share Award Plan *(in thousand shares)*	**—**	(4,003)
Weighted average number of ordinary shares as at 30 September *(in thousand shares)*	**2,075,753**	2,017,485
Effect of outstanding share options *(in thousand shares)*	**27,408**	346
Effect of convertible bond *(in thousand shares)*	**65,217**	—
Weighted average number of ordinary shares (diluted) as at 30 September *(in thousand shares)*	**2,168,378**	2,017,831
Basic earnings per share *(HK cents)*	**9.9**	5.0
Diluted earnings per share *(HK cents)*	**9.6**	5.0

14 DIVIDENDS

The final dividend for the year ended 31 March 2026 amounting to $93,938,000 representing HK4.5 cents per share, was paid in September 2026 (2025: $60,638,000 representing HK3.0 cents per share, was paid in September 2025).

The Board has resolved to declare an interim dividend of HK2.5 cents per share for the six months ended 30 September 2026 (six months ended 30 September 2025: HK1.5 cents per share). The interim dividend amounting to $52,192,000 (six months ended 30 September 2025: $30,322,000) has not been recognised as a liability at the end of the reporting period.

Dividend

The Board declared an interim dividend of HK2.5 cents per share for the six months ended 30 September 2026 (the "**Period**") (for the six months ended 30 September 2025: HK1.5 cents) to all shareholders whose names appear on the register of members of the Company on 15 December 2026. The interim dividend will be payable to those entitled on or about 31 December 2026.

Closure of Register of Members

The register of members of the Company will be closed from Monday, 14 December 2026 to Tuesday, 15 December 2026 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 11 December 2026.

PRINCIPAL ACTIVITIES AND RESULTS

For the six months ended 30 September 2026 (the "**Period**"), the Group was principally engaged in the following businesses:

(1) Server Enclosures (General & Artificial Intelligence (AI)) under the Metal and Plastic Business: providing mechanical engineering solutions and engaging in the design, development, manufacturing and sales of server enclosures, racks, related trays and precision structural components, which are applied in information technology, cloud computing, AI computing and related data center infrastructures;

(2) EV Charger Enclosures and Other Products under the Metal and Plastic Business: engaging in the design, development, manufacturing and sales of EV charger enclosures and other metal and plastic components; and

(3) Storage Products under the Electronic Manufacturing Services Business: providing electronic manufacturing services for tape drive data storage devices and related computer peripheral products.

During the Period, the Group recorded turnover of approximately HK$2,253,690,000 (for the six months ended 30 September 2025: HK$1,608,745,000), representing an increase of approximately 40% as compared to the corresponding period last year. Among which, the metal and plastic business accounted for approximately 64% of the Group's total revenue, and the electronic manufacturing services business accounted for approximately 36%. Gross profit for the Period was approximately HK$374,316,000 (corresponding period last year: approximately HK$233,311,000), with a gross profit margin of approximately 17% (corresponding period last year: approximately 15%); operating profit of the Group for the Period amounted to HK$259,498,000 (for the six months ended 30 September 2025: HK$170,817,000), representing an increase of approximately 52% as compared to the corresponding period last year. Profit attributable to equity shareholders of the Company amounted to HK$205,127,000 (for the six months ended 30 September 2025: HK$101,726,000), increased by approximately 102% as compared to the corresponding period last year, The increase was mainly attributable to the improvement in gross profit of the server enclosures (general & AI) business.

BUSINESS REVIEW

During the Period, global demand for AI computing, cloud services and data center infrastructures continued to grow. With the parallel development of central processing units (CPUs), graphics processing units (GPUs) and various application-specific AI acceleration chips and other computing processors (collectively, "**XPU**"), the requirements of AI systems for computing power, heat dissipation, power supply and structural integration continued to rise, driving demand for server enclosures, computing trays, racks and other precision mechanical structural components, and also bringing more market opportunities to suppliers with engineering development and mass production capabilities.

During the Period, the Group maintained strong development momentum in both general servers and AI infrastructure-related businesses. The Group has established long-term and solid cooperative relationships with major international server brands, and its general server enclosure business has continued to grow steadily. As the relevant brand customers also actively expand their AI server businesses, more cooperation opportunities have arisen. At the same time, the Group continued to deepen cooperation with leading AI computing platform suppliers and large cloud service customers, promoting mass production and delivery of related products. Leveraging mature engineering design, mould development, precision manufacturing of enclosures and structural components, and automated production capabilities, the Group further consolidated its position as an important supplier of mechanical structural solutions for AI infrastructure.

Revenue by Product Category

Server Enclosures (General & AI) under the Metal and Plastic Business

During the Period, the turnover of such business increased by approximately 55% to HK$1,335,273,000 as compared to the corresponding period last year (for the six months ended 30 September 2025: HK$863,876,000). During the Period, the general server enclosure business maintained steady growth, while AI-related products further drove the revenue performance of the segment. The segment's gross profit margin for the Period was approximately 25%, representing an increase of approximately 2 percentage points as compared to the corresponding period last year. The improvement in gross profit was mainly attributable to the structural enhancement brought by AI-related products.

In respect of AI-related business, application-specific integrated circuit ("**ASIC**")-related server enclosures have achieved sustained mass production and shipment business of scale, with existing-generation products maintaining stable delivery; related rack products have also commenced shipment, and deliveries have gradually increased as manufacturing and assembly capacity improved. The Group is simultaneously advancing engineering development, mould making and mass production introduction preparation for next-generation server enclosures to align with customers' product upgrades and subsequent demand. On the other hand, the progress of the Group's business in the supply chain of another leading AI computing platform is on schedule. During the Period, switch-related structural tray products continued to be shipped steadily, and certain enclosures and rack products related to the new-generation platform have also been delivered gradually. The Group is working in line with the product roadmaps of the relevant platform and ecosystem customers to advance engineering development, sample validation and mass production preparation for more structural components, so as to enhance product introduction and delivery capabilities for new platforms.

EV Charger Enclosures and Other Products under the Metal and Plastic Business

During the Period, the turnover of such business decreased by approximately 19% to HK$103,390,000 as compared to the corresponding period last year (for the six months ended 30 September 2025: HK$128,133,000). The segment's gross profit margin for the Period was approximately 13%, representing a decrease of approximately 3 percentage points as compared to the corresponding period last year.

The Group will flexibly allocate resources based on market demand and product profitability, and continue to optimize the business portfolio of EV charger enclosures and other products. The relevant experience in precision metal processing and manufacturing of large structural components will also help enhance the Group's production synergy and capacity utilization efficiency across different product projects.

Storage Products under the Electronic Manufacturing Services Business

During the Period, the turnover of such business was approximately HK$815,027,000 (for the six months ended 30 September 2025: HK$616,736,000), representing an increase of approximately 32%. The segment's gross profit margin for the Period was approximately 3%, which was similar to the corresponding period last year.

The Group maintains long-term cooperation with major customers and principally operates under a cost-plus model. During the Period, the shipment volume of related products increased by approximately 11% year-on-year, and the average selling price also increased, driving both volume and price growth of such business. AI and cloud applications have driven increased demand for data storage, and the launch of new-generation high-capacity tape storage technology has promoted demand for and upgrading and iteration of tape storage systems, providing a favourable market environment for the Group's storage products business.

Global Production Layout and Increased Automation

To meet the continuously increasing demand for servers and AI-related products, the Group has continuously enhanced the delivery capabilities of its production bases in the PRC and Thailand. The Dongguan base in PRC possesses a complete process chain covering engineering design, mould development, precision stamping, CNC machining, welding, injection moulding, surface treatment, assembly and quality inspection. During the Period, in response to customers' demand for rack-related products, the Group actively expanded rack production capacity and optimized production line configurations, and progressively introduced automated welding, assembly and inspection technologies in stages to further improve production efficiency, quality consistency and large-scale delivery capability.

As the update and introduction cycles of AI products accelerate, mould design and manufacturing capabilities are particularly important for the development speed of new products. The Group has established additional mould manufacturing facilities in the PRC, which are expected to gradually commence operation from the end of 2026, so as to enhance mould delivery efficiency and mass production preparation capability for multiple new product projects, and further improve the engineering and manufacturing support between its production bases in the PRC and Thailand.

The Thailand production base is an important deployment for the Group to expand its overseas manufacturing capabilities. During the Period, the existing production facilities continued to take on orders from international customers, and relevant production capacity and local production support were increased as required. The new self-owned production base in Thailand also progressed in stages as planned, with equipment being introduced and production preparation being carried out gradually. As the scale and production capacity of the Thailand operations continue to expand, the Group will further strengthen its cross-regional delivery capabilities and create greater room for undertaking new AI-related business.

Engineering Research and Development (R&D) and New Platform Preparation

The Group continues to strengthen its early-stage engineering participation and new product introduction capabilities, providing customers with one-stop mechanical engineering solutions from product design for manufacturability assessment, prototyping and mould development to production process validation and automated mass production. In the face of upgraded AI product specifications and accelerating platform updates, the Group actively aligns with the new platform development progress of different customers and makes engineering and production preparations in advance; at the same time, it studies structural accessories related to heat dissipation, power distribution and network equipment according to market needs, further enhancing the technical content and service depth of its product portfolio.

Sustainable Development and Environmental, Social and Governance (ESG) Strategy

The Group has consistently attached importance to ESG development and has established its own path to sustainable development. It prepares its reports in accordance with the principles of materiality, quantification and balance, and engages independent third-party verification to obtain independent assurance over selected key ESG metrics at a reasonable assurance level. In the preparation process, the Group has communicated with its shareholders/ investors, partners, employees, suppliers, regulators and members of the public, with a view to responding to the concerns of various stakeholders. Upholding the philosophy of "Caring, Giving Back, and Improving", the Group continues to serve its key stakeholders, including shareholders, partners, employees, the environment and communities. Together with all parties, we are committed to building a sustainable future for our century-long enterprise.

Change of Chief Executive Officer

The Company announced a change of Chief Executive Officer on 30 September 2026. With effect from 1 October 2026, Mr. Ho Cheuk Fai has resigned as the Chief Executive Officer of the Company but continues to serve as an Executive Director and the Chairman of the Board; Mr. Ho Wai Hon, Brian has been appointed as the Chief Executive Officer and continues to serve as an Executive Director and the Deputy Chairman of the Company. The Board would like to express its gratitude to Mr. Ho Cheuk Fai for his invaluable contributions to the Company over the years, leading the Group to establish a solid foundation, overcome challenges at different stages and continuously expand its business.

Mr. Ho Wai Hon, Brian possesses extensive financial and corporate management experience and actively participates in market development and customer business development. Following his new appointment, he will continue to lead the executive committee, keep abreast of market and industry trends, coordinate business development, strategic planning and global production layout, capture the opportunities arising from AI development, and

drive the R&D of new processes and the development of the product portfolio, so as to create long-term value for shareholders and partners. The above change also further clarifies the division of responsibilities between the Chairman of the Board and the Chief Executive Officer, implementing the segregation of roles advocated under the code provision C.2.1 of the Corporate Governance Code with effect from 1 October 2026, so as to cater for the Group's long-term development needs.

PROSPECTS

Looking ahead, AI technology is rapidly extending from model training to inference, enterprise applications and daily life, continuing to drive global demand for computing power and data center infrastructure. Although the market has concerns about the AI capital expenditure, investment returns and construction progress of individual projects of large technology enterprises, the Group is of the view that sustained industry investment also reflects the rapid development of AI and the continuously expanding demand for practical applications. The pace of market deployment may vary, but the medium-to-long-term growth trend of the related infrastructure remains unchanged.

Meanwhile, the continuous development of different types of computing processors (XPUs) and related computing platforms will bring more diversified demand for servers and related precision structural components. Leveraging its long-term cooperation with international server brands and its business progress in the supply chains of AI computing platforms and cloud service customers, the Group will continue to enhance its new product development and delivery capabilities and capture the growth opportunities brought about by different customers and product platforms.

While capturing market opportunities, the Group is also fully aware that the faster the industry develops, the more prudent it must be in pacing its investments and capacity expansion. With over 45 years of experience in the manufacturing industry, the Group has weathered different market cycles and industrial changes, accumulating experience in prudent response and sound management. Facing the rapidly evolving AI market, the Group will uphold the principle of seeking change while maintaining stability, taking actual customer orders and delivery demand as an important basis for capacity expansion, and comprehensively assess operating cash flow, investment payback period and return on capital, so as to strike a balance between development opportunities and risk management. Currently, the Group is making orderly progress in the mass production of new-generation products, the enhancement of rack production capacity and the expansion of its production bases in the PRC and Thailand, in preparation for the next stage of development. With the increased delivery of new products and the gradual commissioning of new production capacity, the Group believes that its existing business still has considerable room for growth, and expects the benefits to be gradually reflected in its operating results in the future.

CONCLUSION

Karrie has been deeply engaged in the manufacturing industry for over 45 years. Having gone through changes in market and industry cycles, it has always taken manufacturing as its foundation and has continued to develop by virtue of its engineering strengths, sound management and long-term customer cooperation. In the face of the new opportunities brought about by the continued expansion of AI infrastructure, the Group will continue to consolidate its general and AI server enclosures business, enhance its new product R&D, automation and dual-base delivery capabilities, and create broader business opportunities on the basis of prudent operations, striving to create sustainable long-term value for shareholders and various stakeholders.

LIQUIDITY RESOURCES AND FINANCING POLICIES

Treasury policy

We will continue to follow a prudent policy in managing the Group's cash and cash equivalents and maintain a strong and healthy liquidity position to ensure that the Group is well-placed to capture future growth opportunities.

As at 30 September 2026, the net interest-bearing borrowings (representing bank borrowings, lease liabilities and convertible bond less cash and bank deposits) were HK$764,468,000 (as at 31 March 2026: HK$464,871,000) and the net gearing ratio (representing the proportion of total net interest-bearing borrowings in total equity) was 47% (as at 31 March 2026: 32%).

As at 30 September 2026, the interest bearing bank borrowings were HK$863,092,000. The cash and bank deposits amounted to HK$253,639,000 and the unutilised banking facilities HK$1,261,101,000. The Company is confident that the existing financial resources of the Group are sufficient to meet the funding needs for the current and future operation of the Group.

USE OF NET PROCEEDS FROM THE CONVERTIBLE BONDS

On 13 October 2025, the Company entered into the Subscription Agreement with Mr. Ho, the executive Director, Chairman and controlling shareholder of the Company, pursuant to which the Convertible Bonds in the principal amount of HK$150,000,000 shall be issued to Mr. Ho at a conversion price of HK$2.30 per share (subject to adjustments). The closing price per Share on the date of the Subscription Agreement (being 13 October 2025) was HK$2.48. The Subscription Agreement was approved by the independent shareholders of the Company at the special general meeting held on 2 December 2025.

The net proceeds of the issuance of the Convertible Bonds are approximately HK$149,750,000. The net price per conversion share is approximately HK$2.30. Assuming full conversion of the Convertible Bonds at the conversion price of HK$2.30 per conversion share (subject to adjustments), a maximum number of 65,217,391 conversion shares will be allotted and issued, representing approximately 3.03% of the issued share capital of the Company (excluding treasury shares) as enlarged by the allotment and issue of the Conversion Shares as at 31 March 2026. As disclosed in the Company's annual report for the year ended 31 March 2026, HK$14,975,000 originally allocated to acquisitions and mergers was reallocated to purchasing machinery and equipment for the existing production plants in Thailand. There was no further change in the intended was of the net proceeds during the Period.

The Directors are of the view that the issuance of Convertible Bonds will optimize the capital structure of the Group and to enhance its liquidity, so as to further bolster its financial base and provide funding support for its future business development. For details of the Convertible Bonds, please refer to the announcement of the Company dated 13 October 2025 and the circular dated 14 November 2025.

The table below sets out the planned applications of the net proceeds from the issuance of Convertible Bonds and the actual usage up to 30 September 2026.

Use of proceeds	**Planned allocation of net proceeds** *(Approximate)*	**Planned allocation of net proceeds** *(Approximate)* *$'000*	**Revised allocation of net proceeds** *(Approximate)* *$'000*	**Unutilized amount (as at 31 March 2026)** *(Approximate)* *$'000*	**Utilized amount during the reporting period** *(Approximate)* *$'000*	**Unutilized amount (as at 30 September 2026)** *(Approximate)* *$'000*
Purchasing new machinery and equipment for existing and new production plants in Thailand	53.42%	80,000	94,975	1,001	1,001	—
Constructing its own factories in Thailand	36.58%	54,775	54,775	28,633	28,633	—
Carrying out acquisition and merger	10.00%	14,975	—	—	—	—
Total	**100%**	**149,750**	**149,750**	**29,634**	**29,634**	**—**

USE OF NET PROCEEDS FROM THE PLACING

On 29 January 2026, the Company entered into a placing and subscription agreement ("**Placing Agreement**") with The Wedding City Co., Limited (as seller) (the "**Seller**") and DBS Asia Capital Limited (as placing agent) (the "**Placing Agent**"), pursuant to which

(1) the Seller has agreed to sell, and the Placing Agent has agreed to act as the agent of the Seller to procure, on a best effort basis, not less than 6 placees (who are professional, institutional and/or individual investors and are independent) (the "**Placees**") to purchase, 65,832,000 shares of the Company (the "**Placing Shares**") at the placing price of HK$2.37 for each Placing Share (the "**Placing**"), and

(2) the Seller has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue to the Seller, 65,832,000 new shares of the Company (the "**Subscription Shares**") at the issue price of HK$2.37 for each share under the general mandate (the "**Subscription**").

The closing price of the Shares on 29 January 2026, being the date of the Placing Agreement, was HK$2.63 per Share.

The Placing was completed on 2 February 2026 and the Subscription was completed on 11 February 2026. A total of 65,832,000 Placing Shares have been successfully placed by the Placing Agent to the Placees. The aggregate nominal value of the Placing Shares is HK$6,583,200.

A total of 65,832,000 Subscription Shares with an aggregate nominal value of HK$6,583,200, were allotted and issued to the Seller pursuant to the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 5 September 2025.

The net proceeds from the Subscription (after deducting all fees, costs and expenses properly incurred in connection with the Placing and the Subscription) are approximately HK$152 million. The net price per share in the Placing and the Subscription is approximately HK$2.31.

There was no change in the intended use of the net proceeds as previously disclosed in the relevant announcements of the Company in relation to the Placing dated 29 January 2026 and 6 February 2026, and the Company will gradually utilize the remaining amount of the net proceeds in accordance with such intended purposes depending on actual business needs.

The Directors are of the view that the Placing and Subscription will not only help enhance the Company's capital strength and financial flexibility, but also help extend the Company's shareholder base, further supporting future business development of the Group.

For details of the Placing and Subscription, please refer to the announcements of the Company dated 29 January 2026, 6 February 2026 and 11 February 2026.

The table below sets out the planned applications of the net proceeds from the Placing and the actual usage up to 30 September 2026.

Use of proceeds	Planned allocation of net proceeds *(Approximate)*	Planned allocation of net proceeds *(Approximate) $'000*	Unutilized amount (as at 31 March 2026) *(Approximate) $'000*	Utilized amount during the reporting period *(Approximate) $'000*	Unutilized amount (as at 30 September 2026) *(Approximate) $'000*	Expected timeline for utilizing the remaining balance of net proceeds from the Placing
Purchasing new machinery and equipment for existing and new production plants in Thailand	66.67%	101,338	101,338	97,312	4,026	By December 2026
Constructing its own factories in Thailand	22.22%	33,775	33,775	33,775	—	
Carrying out acquisition and merger	11.11%	16,887	16,887	—	16,887	By March 2027
Total	**100%**	**152,000**	**152,000**	**131,087**	**20,913**	

EXCHANGE RATE EXPOSURE

Most of the Group's assets, liabilities and transactions are denominated in Hong Kong dollars, United States dollars and Renminbi. Foreign currency risk arises from commercial transactions, recognised assets and liabilities and net investments in foreign operations that are denominated in a currency other than the Group's functional currency, which in turn exerts pressure on the Group's production cost. To mitigate the impact of exchange rate fluctuation of the Renminbi on its business, if necessary, the Group will actively communicate with its customers in order to adjust the selling prices of its products and may use foreign exchange forward contracts to hedge against foreign currency risk (if and when necessary).

CONTINGENT LIABILITY

As at 30 September 2026, the Group had no significant contingent liabilities.

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

Save as disclosed under "Change of Chief Executive Officer" and "Purchase, Sale or Redemption of Listed Securities", the Company has no significant event after the end of the Period and up to the date of this announcement.

EMPLOYEE AND REMUNERATION POLICIES

The number of employees had increased from approximately 4,000 as at the end of the same period of last year to approximately 5,300 as at the end of the Period. With a strong reputation in the local community, the Group had not experienced any major difficulties in recruiting employees.

Employee remuneration packages are determined in accordance with the prevailing market conditions and market rates, with reference to employees' performance and experiences. The Group will also grant bonuses to employees with outstanding performance based on the Company's business performance pursuant to the Group's appraisal and reward system. Other employee benefits include medical insurance and mandatory provident fund.

In addition, to cope with domestic development in Mainland China and the need for talent retention, the Group establishes a "Cooperative Home Scheme" to encourage and finance potential high calibre to settle down locally through purchasing flats as a means to retain talents who may otherwise be lost in the highly competitive labour market.

Performance Based Incentives

The Group adopted a performance-based bonus system and an objective performance assessment. Employees with outstanding performance will now receive more bonuses on a merit-based performance assessment.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Period, the Company repurchased its 570,000 listed shares on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and these shares were subsequently cancelled as at the date of this announcement. Details of the repurchases during the Period are summarised as follows:

Date of repurchases	Number of Shares repurchased	Highest price per Share *(HK$)*	Lowest price per Share *(HK$)*	Aggregate consideration paid *(HK$)*
31 July 2026	250,000	1.85	1.83	459,860
4 August 2026	200,000	1.88	1.85	372,200
6 August 2026	120,000	1.915	1.89	228,630
Total:	**570,000**			**1,060,690**

As at 30 September 2026, the Company did not hold any treasury shares. Subsequent to the end of the Period, on 23 October 2026, the Company repurchased a further 244,000 shares on the Stock Exchange at prices ranging from HK$1.70 to HK$1.75 per share, for an aggregate consideration of HK$420,500. These shares were held as treasury shares following the repurchase.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities, including sales of treasury shares, during the Period.

AUDIT COMMITTEE

In accordance with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the Company established an audit committee of the Board ("**Audit Committee**") in January 1999 which now comprises three independent non-executive Directors. The Audit Committee is responsible for dealing with matters relating to the audit area, including but not limited to, reviewing and supervising the Company's financial reporting process and internal control, in order to protect the interests of the shareholders of the Company. The unaudited interim results for the Period of the Company now reported have been reviewed by the Audit Committee and the Audit Committee has no disagreement with the accounting treatment and policies adopted by the Company during the Period.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Save as explained below, the Company had complied with the code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules during the Period:

- Code provision B.2.2 of the CG Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

  According to the Company's bye-laws, at each annual general meeting, one-third of the Directors for the time being or, if their number is not three or a multiple of three, the number nearest to one-third but not greater than one-third shall retire from office provided that notwithstanding anything in the Company's bye-laws, the chairman of the Board and/or the managing director of the Company shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. Furthermore, any Director appointed to fill a casual vacancy or as an addition to the Board should hold office only until the next following annual general meeting and would then be eligible for re-election. The chairman of the Board and/or the managing director of the Group will consider to voluntarily retire at the annual general meeting at least once every three years in line with code provision B.2.2 of the CG Code. Notwithstanding this exemption, Mr. Ho Cheuk Fai, chairman of the Board, voluntarily retired and was re-elected by shareholders at the annual general meeting held in 2024. As such, the Company considers that sufficient measures have been taken to ensure good corporate governance of the Company.

  Moreover, code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the six months ended 30 September 2026, Mr. Ho Cheuk Fai ("**Mr. Ho**") held both the positions of chairman of the Board and chief executive officer of the Company, which constituted a deviation from code provision C.2.1.

  Being the founder of the Group, Mr. Ho has substantial industry experience, management expertise and business acumen. During the Period, the Board considered that vesting both roles in Mr. Ho provided the Group with strong and consistent leadership and facilitated the effective formulation and execution of its business strategies. The Board also considered that an appropriate balance of power and authority was maintained through the collective operation of the Board, which comprised experienced and high-calibre individuals, including a sufficient number of independent non-executive Directors.

The Board reviews the Group's leadership structure and corporate governance arrangements. Having regard to the Group's continued development, the Board considered that, in light of the Group's evolving business and management needs, separating the roles of chairman and chief executive officer would provide a clearer division of responsibilities and better support the Group's long-term development. With effect from 1 October 2026, Mr. Ho ceased to serve as chief executive officer while remaining an executive Director and chairman of the Board, and Mr. Ho Wai Hon, Brian was appointed chief executive officer while continuing to serve as an executive Director and deputy chairman of the Board. Accordingly, following the above change, the roles have been separated with effect from 1 October 2026, bringing the Company into compliance with code provision C.2.1 of the Corporate Governance Code from that date.

The Company will continue to review its corporate governance practices from time to time to achieve a high standard of corporate governance.

COMPLIANCE WITH THE MODEL CODE

During the Period, the Company has adopted stringent procedures in governing the Directors' securities transactions in compliance with the requirements contained in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries by the Company with each of the Directors, all Directors had confirmed that, they had complied with all of the required standards as set out in the Model Code throughout the Period.

PUBLICATION OF INTERIM REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The 2026 interim report of the Company will be published on the website of the Company and the Stock Exchange in accordance with the Listing Rules in due course.

By order of the Board
Karrie International Holdings Limited
HO CHEUK FAI
Chairman

Hong Kong, 25 November 2026

As at the date of this announcement, the Executive Directors are: Mr. Ho Cheuk Fai, Ms. Chan Ming Mui, Silvia, Mr. Zhao Kai, Mr. Chan Raymond and Mr. Ho Wai Hon, Brian; the Independent Non-executive Directors are: Mr. Fong Hoi Shing, Dr. Lau Kin Wah and Mr. Lam Yin Shing, Donald.

* *For identification purposes only*