TONGDA GROUP

Interim Report 2026

TONGDA GROUP HOLDINGS LIMITED

Incorporated in the Cayman Islands with limited liability

Stock Code: 698

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors
Mr. Wang Ya Nan *(Chairman)*
Mr. Wang Hung Man *(Vice Chairman)*
Mr. Wong Ming Sik
Mr. Wong Ming Yuet
Mr. Hui Wai Man

Non-executive Director
Ms. Chan Sze Man

Independent Non-executive Directors
Dr. Yu Sun Say, *GBM, GBS, SBS, JP*
Mr. Cheung Wah Fung, Christopher, *GBS, SBS, JP*
Mr. Ting Leung Huel Stephen, *MH, FCCA, FCPA (PRACTISING), ACA, CTA (HK), FHKIoD*
Mr. Sze Irons, *GBS, BBS, JP*

AUDIT COMMITTEE (THE "AC")

Mr. Ting Leung Huel Stephen *(Chairman)*
Dr. Yu Sun Say
Mr. Cheung Wah Fung, Christopher
Ms. Chan Sze Man

REMUNERATION COMMITTEE (THE "RC")

Mr. Ting Leung Huel Stephen *(Chairman)*
Mr. Wang Ya Nan
Dr. Yu Sun Say
Mr. Cheung Wah Fung, Christopher

NOMINATION COMMITTEE (THE "NC")

Mr. Wang Ya Nan *(Chairman)*
Dr. Yu Sun Say
Mr. Cheung Wah Fung, Christopher
Mr. Ting Leung Huel Stephen
Ms. Chan Sze Man

COMPANY SECRETARY

Mr. Chan Paan Paan

AUDITOR

D & Partners CPA Limited
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
Suites 710-713, 7/F
12 Taikoo Wan Road
Taikoo, Hong Kong

AUTHORISED REPRESENTATIVES

Mr. Wang Hung Man
Mr. Chan Paan Paan

PRINCIPAL BANKERS

In Hong Kong:
The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited

In the PRC:
Industrial Bank Co., Ltd.
China Construction Bank Corporation
Bank of China Limited
China Merchants Bank Co., Ltd.
Agricultural Bank of China Limited

LEGAL ADVISERS

As to Hong Kong laws:
CLKW Lawyers LLP

As to PRC laws:
DeHeng Law Offices (Xiamen)

As to Cayman Islands laws:
Conyers Dill & Pearman, Cayman

INVESTOR RELATIONS

Strategic Financial Relations Limited
24/F, Admiralty Centre I
18 Harcourt Road
Hong Kong

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Grand Cayman
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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LISTING INFORMATION

Listed on the Hong Kong Stock Exchange (Main Board)
Stock short name: Tongda Group
Stock code: 698
Board lot: 1,000 shares

HONG KONG BRANCH SHARE REGISTRAR

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

PRINCIPAL SHARE REGISTRAR

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Interim Report 2026 contains certain forward-looking statements with respect to the financial conditions, results of operations and business of Tongda Group Holdings Limited (the "Company", and together with its subsidiaries the "Group"). These forward-looking statements represent the Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Certain statements, that include wordings like "potential", "estimated", "expects", "anticipates", "objective", "intends", "plans", "believes", "estimates", and similar expressions or variations on such expressions may be considered "forward-looking statements".

Forward-looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ in some instances materially, from those anticipated or implied in any forward-looking statement. Forward-looking statements speak only at the date they are made, and it should not be assumed that they have been reviewed or updated in the light of new information or future events. Trends and factors that are expected to affect the Group's results of operations are described in the section headed "Management Discussion and Analysis" below.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the six months ended 30 June 2026 (the "Period"), the Group's total revenue was HK$2,356.6 million, representing a decrease of HK$126.6 million or 5.1%, from HK$2,483.2 million in the corresponding period last year. Profit attributable to owners of the Company decreased from approximately HK$63.4 million in the corresponding period last year by 22.2% or HK$14.1 million to approximately HK$49.3 million for the Period.

Revenue

The Group's revenue decreased by approximately 5.1%, from approximately HK$2,483.2 million for the corresponding period last year to approximately HK$2,356.6 million for the Period. Decrease in sales for the Period mainly because a sluggish consumer market negatively impacted customer orders for the consumer electronics structural components business. Nevertheless, the decline in the Group's revenue was partially offset by steady growth in the household and sports goods business, supported by stable customer relationships and the long-term cooperative orders from these customers.

Gross Profit and Margin

The Group maintained a resilient gross profit margin of approximately 14.5% for the Period, compared with 14.6% for the corresponding period last year, demonstrating effective cost discipline and product mix optimisation amid softer market conditions. Gross profit declined by 5.8% to HK$342.2 million for the Period from HK$363.4 million for the corresponding period last year, commensurate with the decrease in revenue.

Other income and gains, net

Other income and gains, net decreased by approximately 16.6% or approximately HK$12.3 million from approximately HK$74.3 million for the corresponding period last year to approximately HK$62.0 million for the Period mainly because the reduction in proceeds from scrap material sales and utilities income outweighed the increase in government grants received during the Period.

Selling and distribution expenses

Selling and distribution expenses increased by approximately 7.5% or approximately HK$1.9 million from approximately HK$25.3 million for the corresponding period last year to approximately HK$27.2 million for the Period, accounting for approximately 1.2% of the Group's revenue, which is slightly higher than the corresponding period last year of 1.0%. The increase was mainly driven by the strengthening of the Renminbi ("RMB") against the Hong Kong dollar ("HKD") during the Period, given that the majority of the selling and distribution expenses are denominated in Renminbi.

General and administrative expenses

General and administrative expenses increased by approximately 9.8% or approximately HK$30.4 million from approximately HK$309.4 million for the corresponding period last year to approximately HK$339.8 million for the Period, accounting for approximately 14.4% of the Group's revenue, which was approximately 1.9 percentage points higher than that for the corresponding period last year of 12.5%.

The increase in general and administrative expenses was principally driven by two factors: (i) the appreciation of RMB against HKD, given that the expenses are predominantly RMB-denominated; and (ii) elevated R&D expenditure. The latter underscores the Group's proactive diversification beyond smartphones into adjacent consumer electronics categories, such as wearable devices, thereby reducing vulnerability to smartphone market.

Other operating income, net

Other operating income, net decreased by approximately 91.1% or approximately HK$13.3 million from approximately HK$14.6 million for the corresponding period last year to approximately HK$1.3 million for the Period principally driven by reduced exchange gains, which declined from HK$26.6 million for the corresponding period last year to HK$7.6 million for the Period.

Finance costs

Finance costs decreased by approximately 19.7% or approximately HK$5.0 million from approximately HK$25.4 million for the corresponding period last year to approximately HK$20.4 million for the Period. The decrease was driven by both a reduction in the average outstanding loan balance and a decrease in the weighted average interest rate.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group derives its working capital mainly from cash on hand and net cash generated from operating activities. The Board expects that the Group will rely on net cash generated from operating activities, interest-bearing bank and other borrowings and equity financing, if considered as appropriate by the management of the Company, to meet its working capital and other capital expenditure requirements. There were no change in the funding and financial policies of the Group for the six months ended 30 June 2026.

As at 30 June 2026, the Group has cash and cash equivalents (including time deposits, structured deposits and wealth management products, bank deposits, pledged bank deposits and cash) of HK$1,343.4 million (31 December 2025: approximately HK$1,608.6 million), of which HK$306.5 million (31 December 2025: approximately HK$277.4 million) has been pledged to banks as security for trade financing granted.

As at 30 June 2026, 72.9% (31 December 2025: 78.1%) of the Group's cash and bank balances was denominated in RMB, 11.7% (31 December 2025: 7.9%) was denominated in United States dollars ("US Dollars") and 15.4% (31 December 2025: 14.0%) was denominated in other currencies (mainly Hong Kong dollars).

As at 30 June 2026, the Group had total assets of HK$6,781.1 million (31 December 2025: HK$7,064.4 million), net current assets of HK$1,056.8 million (31 December 2025: HK$1,105.9 million) and equity of HK$3,282.8 million (31 December 2025: HK$3,151.4 million).

EXPENDITURE

The total capital expenditure incurred for the Period was HK$97.1 million (31 December 2025: HK$200.0 million), which was mainly for the additions of property, plant and equipment for expansion of its household and sports goods segment.

TREASURY POLICY

The Group's sales were principally denominated in RMB and US Dollars while purchases were principally transacted in RMB. The Group will continue to monitor its overall foreign exchange exposure and interest rate exposure, and consider hedging against the exposure should the need arises.

CHARGES ON GROUP ASSETS

The Group has pledged 1) bank deposits amounting to HK$306.5 million (31 December 2025: HK$277.4 million); 2) the Group's leasehold building and the related right-of-use assets in Hong Kong and Mainland China with carrying amount of approximately HK$812.5 million (31 December 2025: HK$799.0 million) and 3) 11.5 million issued shares (31 December 2025: 17.2 million) of Tongda Smart Tech (Xiamen) Co., Limited ("Tongda Chuang Zhi"), a non-wholly owned subsidiary of the Group, whose shares were listed on the Main Board of Shenzhen Stock Exchange (stock code: SZ001368). Save as disclosed above, the Group had not pledged its assets to any financial institutions.

HUMAN RESOURCES

As at 30 June 2026, the Group employed a total of approximately 10,000 (30 June 2025: 9,000) permanent employees in Hong Kong and the PRC. The total salaries and wages for the six months ended 30 June 2026 amounted to HK$563.4 million (30 June 2025: HK$561.3 million).

The Group offers remuneration packages for employees mainly based on their performance and experiences, and with reference to prevailing industry practices. In addition to enrolling our new employees into the mandatory provident fund scheme in Hong Kong and state-managed pension scheme in Mainland China and making contributions for them on a periodic basis, the Group also provides medical coverage, internal and external training programs and grants share options/share awards and discretionary bonuses to employees based on employees' individual performance and the Group's overall performance. The Group reviews the remuneration policies and packages on a regular basis.

GEARING RATIO AND INDEBTEDNESS

As at 30 June 2026 and 31 December 2025, the Group was in a net cash position and therefore, the gearing ratio (consolidated net debt (includes interest-bearing bank and other borrowings, less cash and cash equivalents, pledged deposits, structured deposits and wealth management products and time deposits)/total equity) was not applicable.

As at 30 June 2026, other than the non-current portion of bank borrowings of HK$219.9 million (31 December 2025: HK$468.3 million), the Group had bank and other borrowings of HK$665.8 million (31 December 2025: HK$594.6 million) which will be repayable within one year from the end of the Period. The bank and other borrowings were denominated in RMB and Hong Kong dollars.

Bank borrowings carry interest rate ranging from 1.32% per annum ("p.a.") to 5.20% p.a. (31 December 2025: from 1.50% p.a. to 5.53% p.a.).

BUSINESS REVIEW

The Group is a globally leading one-stop solution provider for precision structural components, offering comprehensive services spanning product design, research and development (R&D), and manufacturing. Its diversified product portfolio encompasses household and sports goods, handset casings, network communications facilities, and smart electrical appliances.

During the Period, the Group recorded a revenue of approximately HK$2,356.6 million, representing a decrease of approximately 5.1% from approximately HK$2,483.2 million in the corresponding period last year. Despite fierce competition in the consumer electronics market and rising raw material prices, the Group maintained a gross profit margin of approximately 14.5% during the Period, largely in line with approximately 14.6% in the corresponding period last year, through product mix optimisation and enhanced cost management. Profit attributable to owners of the Company for the Period was approximately HK$49.3 million, representing a decrease of approximately 22.2% from approximately HK$63.4 million in the corresponding period last year.

BUSINESS SEGMENTS

The Group is organised into business units based on their products and services and has two reportable segments:

(a) **Consumer Electronics Structural Components** – comprising the manufacturing of handset casings and high-precision components, smart appliance panels, network communications facilities, and other consumer electronics products; and

(b) **Household and Sports Goods** – comprising household durables, household utensils, and sports products.

Consumer Electronics Structural Components

During the Period, this segment recorded sales of approximately HK$1,671.6 million, accounting for approximately 70.9% of the Group's total revenue, representing a decrease of approximately 12.2% from approximately HK$1,902.8 million in the corresponding period last year.

According to IDC data, cumulative smartphone shipments in China during the first half of the year totalled approximately 134 million units, representing a year-on-year decline of 4.2%, marking the fifth consecutive quarter of year-on-year contraction. During the Period, surging oil prices drove up costs of related raw materials. Coupled with the continued rise in costs of core components such as memory chips, smartphone terminal prices faced upward pressure. Against the backdrop of subdued consumer appetite for handset upgrades and sustained fierce market competition, shipments from certain customers declined, placing pressure on the segment's orders and profit margins.

In addition to handset casings, this segment also covers wireless routers, networking equipment housings, and smart home appliance panels, primarily serving well-known brands in Europe, the United States, and Mainland China. Notably, the Group's Vietnam plant for its networking business has commenced operations, facilitating overseas customers' procurement and supply chain deployment needs. The Group will continue to drive technological innovation and deepen collaboration with overseas customers to enhance product margins and customer stickiness.

Household and Sports Goods

During the Period, this segment recorded sales of approximately HK$685.0 million, representing an increase of approximately 18.0% from approximately HK$580.4 million in the corresponding period last year, accounting for approximately 29.1% of the Group's total revenue. Both the segment's revenue contribution and profit margin improved, and it continued to serve as the Group's key growth engine.

This segment is primarily engaged in the R&D, manufacturing, and sales of consumer goods in the sports and outdoor, home living, and health and wellness categories. The related products are predominantly backed by long-term cooperative orders, with relatively stable customer demand and order cadence. Leveraging its strengths in product design, mould development, smart manufacturing capabilities, and refined production management, the Group continues to serve multiple global industry leaders while progressively expanding its customer base to include international brands across various niche sectors.

During the Period, the factories in the segment located both in Mainland China and overseas maintained a high level of capacity utilisation to fulfil existing orders and accommodate demand from new customers. In particular, the new Industry 4.0 plant in Malaysia has further strengthened the Group's overseas production footprint, enhancing supply chain geographical diversification and delivery flexibility to better cater to customers' global procurement and delivery requirements.

The breakdown of total revenue by product category for the Period compared with the corresponding period last year is set out below:

		2026	2025
i.	Consumer electronics structural components	**70.9%**	76.6%
ii.	Household and sports goods	**29.1%**	23.4%

PROSPECTS

Facing multiple challenges including rising raw material costs, intensifying competition in the consumer electronics market, and shifting demand structures, the Group will uphold a prudent and pragmatic business approach, focusing on three strategic pillars – product mix optimisation, refinement of overseas production capacity deployment, and operational efficiency enhancement – to continuously consolidate its long-term competitiveness.

Currently, the year-on-year decline in handset shipments in China may widen further, and industry competition and pricing pressures are expected to persist. To address these challenges, the Group is actively expanding into consumer electronics segments beyond handsets, including wearable electronics, to stabilise overall shipment volumes and profit margins. Meanwhile, the Group continues to deepen collaboration with overseas customers and explore new product lines and material application scenarios to diversify the volatility risks associated with reliance on a single market.

At the same time, the Group will continue to refine its overseas production capacity allocation to enhance delivery capabilities and supply chain resilience for international customers. The Vietnam plant for the networking business will further strengthen the Group's ability to serve international customers; while the new plant in Malaysia for the household and sports goods segment will continue to serve as a key pillar of the Group's internationalised production footprint, complementing its domestic production capacity in Mainland China. Through a more comprehensive global production capacity configuration, the Group will capitalise on the trends of consumption upgrading and smart manufacturing, further enhancing supply chain agility while ensuring orderly business expansion and maintaining stable operational quality.

In addition, the household and sports goods segment will continue to benefit from long-term orders and stable customer relationships. The Group will deepen collaboration with existing major consumer brand customers in Europe and the United States and actively expand its customer base to include more global consumer brands, thereby broadening its product mix and market coverage.

The Group will also continue to drive refined production and automation upgrades centred on material innovation, mould design, and smart manufacturing, enhancing production efficiency and cost management capabilities while maintaining product quality and delivery stability.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

D & PARTNERS
CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS OF TONGDA GROUP HOLDINGS LIMITED
(Incorporated in Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated interim financial statements of Tongda Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 17 to 55, which comprises the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with HKAS 34.

D & PARTNERS CPA LIMITED
Certified Public Accountants

Hong Kong
20 August 2026

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Unaudited Six months ended 30 June 2026 HK$'000	 2025 HK$'000
REVENUE	4	**2,356,572**	2,483,216
Cost of sales		**(2,014,443)**	(2,119,826)
Gross profit		**342,129**	363,390
Other income and gains, net		**62,028**	74,305
Selling and distribution expenses		**(27,163)**	(25,252)
General and administrative expenses		**(339,847)**	(309,410)
Other operating income, net		**1,327**	14,630
Finance costs		**(20,440)**	(25,413)
PROFIT BEFORE TAX	5	**18,034**	92,250
Income tax credit/(expense)	6	**49,465**	(8,665)
PROFIT FOR THE PERIOD		**67,499**	83,585
Attributable to:			
Owners of the Company		**49,259**	63,421
Non-controlling interests		**18,240**	20,164
		67,499	83,585
			(Restated)
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
– Basic and diluted	8	**HK$0.25**	HK$0.33

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
PROFIT FOR THE PERIOD	**67,499**	83,585
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(expense) that will not be reclassified to profit or loss in subsequent periods:		
Gain/(loss) on property revaluation	**410**	(4,708)
Deferred tax credited/(debited) to the asset revaluation reserve	**(68)**	781
	342	(3,927)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations		
– subsidiaries	**76,963**	71,964
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**77,305**	68,037
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**144,804**	151,622
ATTRIBUTABLE TO:		
Owners of the Company	**108,440**	115,673
Non-controlling interests	**36,364**	35,949
	144,804	151,622

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	**2,062,419**	2,033,462
Right-of-use assets		**382,991**	354,236
Intangible assets	9	**7,401**	7,867
Investment properties		**128,374**	126,696
Long term deposits		**39,961**	49,870
Time deposits		**–**	92,834
Deferred tax assets		**34,632**	24,679
Total non-current assets		**2,655,778**	2,689,644
CURRENT ASSETS			
Inventories	10	**708,391**	676,148
Trade and bills receivables	11	**1,953,683**	2,033,085
Prepayments, deposits and other receivables		**116,740**	149,679
Amount due from a jointly-controlled entity		**3,081**	–
Financial assets at fair value through profit or loss ("FVTPL")	12	**274,587**	300,269
Time deposits		**190,436**	183,979
Pledged deposits		**306,466**	277,418
Cash and cash equivalents		**571,869**	754,145
Total current assets		**4,125,253**	4,374,723

	Notes	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
CURRENT LIABILITIES			
Trade and bills payables	13	**1,969,428**	2,138,847
Accrued liabilities and other payables		**402,088**	438,227
Interest-bearing bank and other borrowings	14	**665,814**	594,583
Lease liabilities		**4,763**	5,000
Tax payable		**26,290**	92,205
Total current liabilities		**3,068,383**	3,268,862
NET CURRENT ASSETS		**1,056,870**	1,105,861
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,712,648**	3,795,505
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings	14	**219,873**	468,254
Other payables		**72,088**	74,156
Deferred revenue		**43,542**	34,856
Lease liabilities		**50,932**	29,350
Deferred tax liabilities		**43,418**	37,454
Total non-current liabilities		**429,853**	644,070
Net assets		**3,282,795**	3,151,435

	Notes	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
EQUITY			
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	15	**97,356**	97,356
Reserves		**2,838,670**	2,730,238
		2,936,026	2,827,594
NON-CONTROLLING INTERESTS		**346,769**	323,841
Total equity		**3,282,795**	3,151,435

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited six months ended 30 June 2026											
	Attributable to owners of the Company											
	Share capital HK$'000	Share premium account HK$'000	Share award reserve HK$'000	Capital reserve HK$'000	Asset revaluation reserve HK$'000	Statutory reserve HK$'000	Capital redemption reserve HK$'000	Exchange fluctuation reserve HK$'000	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
As at 1 January 2026	97,356	1,780,859	-	265,663	40,284	568,437	884	(581,957)	656,068	2,827,594	323,841	3,151,435
Profit for the period	-	-	-	-	-	-	-	-	49,259	49,259	18,240	67,499
Other comprehensive income for the period:												
Gain on property revaluation	-	-	-	-	342	-	-	-	-	342	-	342
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	58,839	-	58,839	18,124	76,963
Total comprehensive income for the period	-	-	-	-	342	-	-	58,839	49,259	108,440	36,364	144,804
Dividends paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	-	-	(6,660)	(6,660)
Restricted share award expense under share award scheme of a subsidiary, net (note 16)	-	-	-	(6,784)	-	-	-	-	-	(6,784)	-	(6,784)
Termination of share award under share award scheme of a subsidiary (note 16)	-	-	-	6,776	-	-	-	-	-	6,776	(6,776)	-
As at 30 June 2026	97,356	1,780,859*	-*	265,655*	40,626*	568,437*	884*	(523,118)*	705,327*	2,936,026	346,769	3,282,795

	Unaudited six months ended 30 June 2025 Attributable to owners of the Company											
	Share capital HK$'000	Share premium account HK$'000	Share award reserve HK$'000	Capital reserve HK$'000	Asset revaluation reserve HK$'000	Statutory reserve HK$'000	Capital redemption reserve HK$'000	Exchange fluctuation reserve HK$'000	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
As at 1 January 2025	97,356	1,780,859	4,441	252,318	49,365	576,612	884	(687,735)	531,418	2,605,518	299,325	2,904,843
Profit for the period	–	–	–	–	–	–	–	–	63,421	63,421	20,164	83,585
Other comprehensive expense for the period:												
Loss on property revaluation	–	–	–	–	(3,927)	–	–	–	–	(3,927)	–	(3,927)
Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	56,179	–	56,179	15,785	71,964
Total comprehensive income for the period	–	–	–	–	(3,927)	–	–	56,179	63,421	115,673	35,949	151,622
Lapse of share award (note 16)	–	–	(4,441)	–	–	–	–	–	–	(4,441)	–	(4,441)
Dividends paid to non-controlling shareholders of a subsidiary	–	–	–	–	–	–	–	–	–	–	(6,070)	(6,070)
Restricted share award expense under share award scheme of a subsidiary, net (note 16)	–	–	–	8,954	–	–	–	239	–	9,193	–	9,193
Termination of share award under share award scheme of a subsidiary (note 16)	–	–	–	2,930	–	–	–	–	–	2,930	(2,930)	–
As at 30 June 2025	97,356	1,780,859*	–*	264,202*	45,438*	576,612*	884*	(631,317)*	594,839*	2,728,873	326,274	3,055,147

* These reserve accounts comprise the consolidated reserves of HK$2,838,670,000 (30 June 2025: HK$2,631,517,000) in the consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited six months ended 30 June 2026 HK$'000	2025 HK$'000
NET CASH GENERATED FROM OPERATING ACTIVITIES	**31,891**	29,780
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		
Interest received	**5,834**	7,337
Purchases of items of property, plant and equipment	**(83,851)**	(145,092)
Proceeds from disposal of items of property, plant and equipment	**8,632**	11,722
Decrease in time deposits	**93,677**	26,737
Decrease in financial assets at FVTPL	**30,805**	40,414
Increase in pledged deposits	**(18,594)**	(14,574)
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	**36,503**	(73,456)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		
New bank loans	**352,599**	475,430
Repayment of bank loans	**(565,630)**	(373,494)
Interest paid	**(20,440)**	(25,413)
Repurchase of shares under share award schemes	**(9,245)**	(7,868)
Dividends paid to non-controlling shareholders of a subsidiary	**(6,660)**	(6,070)
Principal elements of lease payments	**(3,295)**	(1,780)
NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	**(252,671)**	60,805

	Unaudited six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(184,277)**	17,129
Cash and cash equivalents at beginning of period	**754,145**	840,592
Effect of foreign exchange rate changes, net	**2,001**	35,214
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**571,869**	892,935
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and condensed consolidated statement of cash flows	**571,869**	892,935

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands.

The registered office address of the Company is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681 GT, George Town, Grand Cayman, Cayman Islands. The principal place of business of the Company and its subsidiaries is at room 1201-02, 12th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are manufacture and sale of household and sports goods, handset casings, network communications facilities, smart electrical appliances and others. There were no significant changes in the nature of the subsidiaries' principal activities during the Period.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standards ("HKASs") No. 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31 December 2025.

3. ACCOUNTING POLICIES

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

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

The natures and impacts of the amended HKFRS Accounting Standards to the Group are described below.

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance ("ESG") 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 FVOCI 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 Financial Statements.

Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments did not have any impact on the Interim Financial Statements.

Annual Improvements to *HKFRS Accounting Standards – Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendment did not have any impact on the Interim Financial Statements.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable segments as follows:

(a) the consumer electronics structural components segment consists of handset casings and high-precision components, panels for smart electrical appliances, network communications facilities and other electrical consumer products; and

(b) the household and sports goods segment consists of durable household goods, household utensils and sports goods.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that other income and gains, net, corporate and other unallocated expenses, non-lease-related finance costs and reversal of provision for impairment of amount due from a jointly-controlled entity are excluded from such measurement.

Segment assets exclude deferred tax assets, tax recoverable, amount due from a jointly-controlled entity, pledged deposits, cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, tax payable, deferred tax liabilities as these liabilities are managed on a group basis.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Consumer electronics structural components		Household and sports goods		Consolidated	
	2026	2025	2026	2025	2026	2025
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Segment revenue:						
Sales to external customers	1,671,620	1,902,809	684,952	580,407	2,356,572	2,483,216
Segment results before depreciation	22,624	107,597	87,950	82,816	110,574	190,413
Depreciation of property, plant and equipment	(98,370)	(94,253)	(37,444)	(29,154)	(135,814)	(123,407)
Depreciation of right-of-use assets	(5,116)	(5,542)	(2,860)	(2,044)	(7,976)	(7,586)
Amortisation of intangible assets	(403)	(380)	-	–	(403)	(380)
Segment results	(81,265)	7,422	47,646	51,618	(33,619)	59,040
Unallocated income					62,028	74,305
Corporate and other unallocated expenses, net					(3,808)	(16,555)
Finance costs (other than interest expenses on lease liabilities)					(19,350)	(24,540)
Reversal of provision for impairment of amount due from a jointly-controlled entity					12,783	–
Profit before tax					18,034	92,250
Income tax credit/(expense)					49,465	(8,665)
Profit for the period					67,499	83,585

	Unaudited 30 June 2026		
	Consumer electronics structural components HK$'000	Household and sports goods HK$'000	Consolidated HK$'000
Segment assets	**4,117,507**	**1,747,476**	**5,864,983**
Unallocated assets			**916,048**
Total assets			**6,781,031**
Segment liabilities	**2,110,625**	**432,216**	**2,542,841**
Unallocated liabilities			**955,395**
Total liabilities			**3,498,236**

	31 December 2025		
	Consumer electronics structural components HK$'000	Household and sports goods HK$'000	Consolidated HK$'000
Segment assets	4,345,080	1,663,045	6,008,125
Unallocated assets			1,056,242
Total assets			7,064,367
Segment liabilities	2,338,188	382,248	2,720,436
Unallocated liabilities			1,192,496
Total liabilities			3,912,932

Geographical information

	Unaudited Six months ended 30 June									
	PRC*		Asia Pacific (excluding PRC)		United States		Others		Consolidated	
	2026 HK$'000	2025 HK$'000	2026 HK$'000	2025 HK$'000	2026 HK$'000	2025 HK$'000	2026 HK$'000	2025 HK$'000	2026 HK$'000	2025 HK$'000
Revenue from customers										
Segment revenue:										
Sales to external customers#	**1,539,775**	1,765,475	**315,014**	258,260	**10,862**	5,795	**490,921**	453,686	**2,356,572**	2,483,216

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

* The People's Republic of China (the "PRC") including Hong Kong and Macau.

\# Sales to external customers include revenue from contracts with customers.

Information about major customers

Revenue from the following customers contributed over 10% of the total sales to the Group:

	Unaudited Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Customer A	**389,441**	357,927
Customer B	**235,691**	N/A
	625,132	357,927

Revenue from Customer A was mainly derived from sales by the consumer electronics structural components segment, and revenue from Customer B was mainly derived from sales by the household and sports goods components segment, including sales to a group of entities which are known to be under common control of the respective customers.

5. PROFIT BEFORE TAX

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

	Unaudited Six months ended 30 June 2026 HK$'000	 2025 HK$'000
Depreciation of property, plant and equipment	**135,814**	123,407
Depreciation of right-of-use assets	**7,976**	7,586
Amortisation of intangible assets	**403**	380
Research and development costs	**143,470**	120,473
Salaries and wages	**563,386**	561,299
Impairment of trade receivables	**15,247**	1,801
Reversal of impairment of trade receivables	**(960)**	(4,405)
Reversal of provision for impairment of amount due from a jointly-controlled entity	**(12,783)**	–
Provision against inventories	**8,950**	5,680
Foreign exchange differences, net	**(7,563)**	(26,630)
Gain on disposal/written-off of items of property, plant and equipment	**(4,074)**	(5,614)
Fair value loss/(gain) on investment properties	**2,965**	(430)
Interest income	**(5,834)**	(7,337)

6. INCOME TAX

Hong Kong Profits Tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the Period, except for one of the subsidiaries of the Group in Hong Kong, which is a qualifying entity under the two-tier profits tax rates regime. The first HK$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Pursuant to the Corporate Income Tax Law of the PRC being effective on 1 January 2008, the corporate income tax rate for all enterprises in Mainland China is 25%.

For the six months ended 30 June 2026 and 2025, certain subsidiaries of the Group were subject to a preferential tax rate of 15% under High New Technology Enterprises.

	Unaudited Six months ended 30 June	
	2026 **HK$'000**	2025 HK$'000
Current – Hong Kong		
Charge for the period	**342**	323
Overprovision in prior years	**(54,923)**	–
	(54,581)	323
Current – Elsewhere		
Charge for the period	**9,173**	10,017
	(45,408)	10,340
Deferred	**(4,057)**	(1,675)
Total tax (credit)/charge for the period	**(49,465)**	8,665

7. DIVIDENDS

At the board meeting held on 20 August 2026, the Board did not recommend the payment of any interim dividend for the Period (six months ended 30 June 2025: nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	Unaudited	
	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Profit		
Profit for the purpose of basic and diluted earnings per share	**49,259**	63,421
	'000	'000 (Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**194,712**	194,712

The weighted average number of ordinary shares for the purpose of basic and diluted earnings per share for the six months ended 30 June 2025 has been retrospectively adjusted for the share consolidation of every 50 ordinary shares into 1 consolidated share which effective on 13 October 2025, as if the share consolidation had been effective since 1 January 2025.

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 June 2026 and 2025 as no potential dilutive ordinary shares in issue.

9. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the Period, the Group has addition of property, plant and equipment of HK$97,115,000 (30 June 2025: HK$88,253,000). During the Period, the Group disposed of certain items of property, plant and equipment with net book value of HK$4,558,000 (30 June 2025: HK$6,108,000) for proceeds of HK$8,632,000 (30 June 2025: HK$11,722,000). The Group incurred revaluation deficit of HK$39,000 (30 June 2025: HK$1,281,000) and depreciation expenses of HK$135,814,000 (30 June 2025: HK$123,407,000) during the Period. In addition, exchange realignment of HK$72,253,000 (30 June 2025: HK$52,438,000) was debited to property, plant and equipment.

At 30 June 2026, the Group's leasehold building and the related right-of-use asset in Hong Kong were revalued at the end of the reporting period based on valuations performed by Asset Appraisal Ltd., an independent firm of professionally qualified valuers, at HK$31,700,000 (31 December 2025: HK$31,700,000). In the opinion of the directors, the current use of the leasehold building in Hong Kong and the related right-of-use asset is its highest and best use.

A revaluation surplus of HK$410,000 (30 June 2025: revaluation deficit of HK$4,708,000), resulting from the above valuation, has been credited (30 June 2025: debited) to other comprehensive income. The resulting increase in deferred tax liability of HK$68,000 (30 June 2025: decrease of HK$781,000) arising from the revaluation has also been debited (30 June 2025: credited) to other comprehensive income.

The Group's leasehold buildings and the related right-of-use assets in Hong Kong and Mainland China with net carrying amount of HK$812,467,000 (31 December 2025: HK$799,005,000) were pledged to secure banking facilities granted to the Group (note 14).

For the six months ended 30 June 2026 and 2025, the Group made no additions to intangible assets, while amortisation expenses of on existing assets were HK$403,000 and HK$380,000, respectively. During the Period, the exchange realignment of HK$63,000 (30 June 2025: HK$229,000) was credited (30 June 2025: debited) to the intangible assets.

As at 30 June 2026, the Group's management assessed whether there is any impairment indication among the segment of consumer electronics structural components which engaged in the manufacture and sale of components for smart mobile communication and other electrical consumer products for the period then ended, and estimated the recoverable amounts of the property, plant and equipment, the right-of-use assets, the intangible assets and the long term deposits of the segment (collectively as the "Assets Under Review"). Based on the value-in-use calculation, no (31 December 2025: nil) written down of the carrying amounts were required for the Assets Under Review to their estimated recoverable amounts. The estimated recoverable amounts of the cash generated units were determined by valuations performed by Royson Valuation Advisory Limited, an independent firm of professionally qualified valuer with more than 13 years of experience in business valuation and derivatives valuation in a range of industries, including construction, education, electronics and electrical equipment, health care, financial services, information technology, e-commerce. The valuation is performed based on value-in-use calculations using discounted cash flow analysis under income approach based on financial forecast covering a period of the remaining useful lives of these assets. Value-in-use is the present value of the future cash flows expected to be derived from an asset or a CGU; and a CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

The compound annual growth rates on the five-year revenue growth following the year ended 30 June 2026 ranged from 2.0% to 5.0% (31 December 2025: 2.0% to 5.0%) were applied in the cash flow projections. The revenue growth rates were mainly estimated with reference to the combination of: (i) the estimated revenue of core customers; (ii) the forecasted sale orders from core customers; (iii) the historical sales records of the Group; (iv) the outlook from the management of the Group on the future operating environment; and (v) the operating strategy of the Group. Cash flows beyond the projection period are extrapolated using an estimated growth rate of 2% (31 December 2025: 2%) per annum with reference to the market forecasted long-term inflation rates in the Mainland China. The pre-tax discount rates applied to the cash flow projections ranged from 13.8% to 16.3% (31 December 2025: 14.7% to 17.4%). The discount rates applied were calculated by the cost of equity and cost of debt with reference to the ratio of the companies with similar industries and public data such as risk-free rate of the Mainland China.

10. INVENTORIES

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Raw materials	199,092	174,929
Work in progress	184,928	142,685
Finished goods	324,371	358,534
	708,391	676,148

As at 30 June 2026, moulds of HK$73,546,000 (31 December 2025: HK$45,015,000) are included in the finished goods.

11. TRADE AND BILLS RECEIVABLES

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Trade receivables	**1,452,020**	1,405,330
Impairment allowances	**(55,778)**	(40,172)
	1,396,242	1,365,158
Bills receivables	**557,441**	667,927
	1,953,683	2,033,085

It is the general policy of the Group to allow a credit period of one to three months. In addition, for certain customers with long-established relationships and good repayment histories, a longer credit period may be granted in order to maintain a good relationship. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the management. Trade receivables are non-interest bearing. At the end of the reporting period, 19.1% (31 December 2025: 25.0%) and 34.9% (31 December 2025: 37.2%) of the total trade and bills receivables were due from the Group's largest customer and the five largest customers, respectively.

An ageing analysis of the Group's trade and bills receivables as at 30 June 2026, based on the invoice date and issuance date, is as follows:

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Within 3 months	**1,692,742**	1,724,201
4 to 6 months, inclusive	**249,546**	281,057
7 to 9 months, inclusive	**16,534**	30,491
10 to 12 months, inclusive	**3,641**	9,572
More than 1 year	**46,998**	27,936
	2,009,461	2,073,257
Impairment allowances	**(55,778)**	(40,172)
	1,953,683	2,033,085

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

Financial assets at FVTPL represented the structured deposits at banks and fund investments. Changes in fair values of financial assets at FVTPL are recorded in "other income and gains – net" in the condensed consolidated income statement.

13. TRADE AND BILLS PAYABLES

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Trade payables	**1,054,364**	1,241,147
Bills payable	**915,064**	897,700
	1,969,428	2,138,847

The trade payables are non-interest bearing and are normally settled on 60 to 90 days' terms. An ageing analysis of the Group's trade and bills payables as at 30 June 2026, based on the invoice date and issuance date, is as follows:

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Within 3 months	**1,300,210**	1,506,749
4 to 6 months, inclusive	**622,936**	549,320
7 to 9 months, inclusive	**10,905**	27,770
10 to 12 months, inclusive	**1,985**	6,893
More than 1 year	**33,392**	48,115
	1,969,428	2,138,847

14. INTEREST-BEARING BANK AND OTHER BORROWINGS

During the six months ended 30 June 2026, the Group repaid bank and other borrowings of HK$565,630,000 (30 June 2025: HK$373,494,000) and raised new bank and other borrowings of HK$352,599,000 (30 June 2025: HK$475,430,000).

At the end of the reporting period, the Group's banking facilities were supported by:

(a) the pledge of bank deposits of approximately HK$306,466,000 (31 December 2025: HK$277,418,000);

(b) corporate guarantees from the Company and certain of its subsidiaries;

(c) the pledge of the Group's leasehold building and the related right-of-use asset in Hong Kong and Mainland China with a carrying amount of approximately HK$812,467,000 (31 December 2025: HK$799,005,000) (note 9); and

(d) the pledge of 11,530,000 issued shares (31 December 2025: 17,180,000) of Tongda Smart Tech (Xiamen) Co., Limited ("Tongda Chuang Zhi"), a non-wholly owned subsidiary of the Group whose shares were listed on the Main Board of the Shenzhen Stock Exchange (stock code: SZ001368), representing approximately 10.0% (31 December 2025: 15.0%) of its total issued shares.

15. SHARE CAPITAL

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Authorised:		
400,000,000 (31 December 2025: 400,000,000) ordinary shares	**200,000**	200,000
Issued and fully paid:		
194,712,152 (31 December 2025: 194,712,152) ordinary shares	**97,356**	97,356

A summary of movements in the Company's share capital is as follows:

	Number of ordinary shares in issue	Issued capital HK$'000	Share premium account HK$'000	Total HK$'000
Issued:				
As at 1 January 2025	9,735,607,645	97,356	1,780,859	1,878,215
Shares Consolidation (note a)	(9,540,895,493)	–	–	–
As at 31 December 2025, 1 January 2026 and 30 June 2026	**194,712,152**	**97,356**	**1,780,859**	**1,878,215**

Note a: On 8 September 2025, the Board of the Company proposed to implement the shares consolidation, pursuant to which every fifty issued and unissued existing shares of par value HK$0.01 each will be consolidated into one consolidated share of par value HK$0.5 each (the "Shares Consolidation"). The Shares Consolidation was completed and effective on 13 October 2025. Immediately after the Shares Consolidation becoming effective, the authorised share capital of the Company was remained at HK$200,000,000 but divided into 400,000,000 Consolidated Shares of par value of HK$0.5 each, of which 194,712,152 Consolidated Shares will be in issue and fully paid or credited as fully paid, details of which were disclosed in the Company's circular dated 23 September 2025.

16. SHARE OPTION AND SHARE AWARD SCHEMES

Share Option Scheme Operated by the Company

The Company adopted a new share option scheme (the "2025 Share Option Scheme") pursuant to an ordinary resolution passed at the extraordinary general meeting held on 29 May 2025. The new scheme was adopted following the expiration of the original scheme on 24 June 2023 and was for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

For the six months ended 30 June 2026 and the year ended 31 December 2025, no share options were granted by the Company under the 2025 Share Option Scheme.

As at 30 June 2026 and 31 December 2025, the Company had no share options outstanding under the 2025 Share Option Scheme.

Share Award Scheme Operated by the Company

The Company adopted a share award scheme on 17 January 2022 (the "Share Award Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The Group granted 1,290,000 shares (as adjusted for Share Consolidation) to 14 selected employees on 17 January 2022 (the "Grant Date") under the Share Award Scheme, at an issue price of HK$0.1232 per share.

The issue price was determined at no less than the higher of (i) the par value of the Company's shares; (ii) 50% of the closing price of the Company's shares on the Stock Exchange on the Grant Date; and (iii) 50% of the average of the closing prices of the Company's shares on the Stock Exchange over the five consecutive trading days immediately preceding the Grant Date.

Set out below is a summary of the grant of award shares under the Share Award Scheme after the adjustment upon the Share Consolidation:

					Number of awarded shares (Restated)					
Grant date	Fair value per share at grant date (HK$)	Issue price per share (HK$)	Closing price per share immediately before date of grant (HK$)	Vesting period	As at 1 January 2025	Granted	Vested	Terminated/ lapsed Note 1	Cancelled	As at 31 December 2025 and 30 June 2026
17 January 2022	0.240	0.1232	0.245	17 January 2023 to 17 January 2024	249,000	–	–	(249,000)	–	–
17 January 2022	0.237	0.1232	0.245	17 January 2024 to 17 January 2025	332,000	–	–	(332,000)	–	–
				Total	581,000	–	–	(581,000)	–	–

Notes:

1. During the Year ended 31 December 2025, vesting conditions of the 581,000 awarded shares have not been fulfilled and therefore lapsed. Total issue price paid for these awarded shares was refunded accordingly.

During the six months ended 30 June 2025, net share awards expense of HK$4,441,000 was reversed to the condensed consolidated income statement at the time the share awards were lapsed.

Share Award Scheme Operated by a Subsidiary

Tongda Chuang Zhi established and approved a restricted A share incentive scheme (the "Incentive Scheme") on 4 January 2024 to provide long-term incentives for selected participants to deliver sustainable shareholder returns. Under the Incentive Scheme, Tongda Chuang Zhi granted 1,867,600 restricted A shares at an issue price of HK$14.31 (equivalent to RMB 13.10) per share to 76 selected participants on 4 January 2024, and 307,000 restricted A shares at an issue price of HK$12.62 (equivalent to RMB 11.65) per share to 17 selected participants on 2 December 2024. All these shares are restricted for sale until certain service and performance conditions are met.

The issue price was determined at no less than the higher of (i) the par value of the share of Tongda Chuang Zhi; (ii) 50% of the average trading price of Tongda Chuang Zhi's shares on the Main Board of the Shenzhen Stock Exchange for the trading day immediately preceding the grant date; and (iii) 50% of the average trading price of Tongda Chuang Zhi's shares on the Main Board of the Shenzhen Stock Exchange for the 120 trading days immediately preceding the grant date.

Set out below is a summary of the grant of restricted A shares under the Incentive Scheme:

Grant date	Fair value per share at grant date (HK$)	Issue price per share (HK$)	Closing price per share immediately before date of grant (HK$)	Vesting period	As at 1 January 2025	Granted	Vested Note 1	Terminated/ lapsed Note 2	Cancelled	As at 31 December 2025 and 1 January 2026	Granted	Vested	Terminated/ lapsed Note 2	Cancelled	As at 30 June 2026
4 January 2024	27.37 (equivalent to RMB25.06)	14.31 (equivalent to RMB13.10)	26.75 (equivalent to RMB24.50)	24 January 2024 to 24 March 2025	390,624	–	(390,624)	–	–	–	–	–	–	–	–
4 January 2024	26.73 (equivalent to RMB24.48)	14.31 (equivalent to RMB13.10)	26.75 (equivalent to RMB24.50)	24 January 2024 to 24 March 2026	488,280	–	–	(488,280)	–	–	–	–	–	–	–
4 January 2024	26.08 (equivalent to RMB23.88)	14.31 (equivalent to RMB13.10)	26.75 (equivalent to RMB24.50)	24 January 2024 to 24 March 2027	651,040	–	–	(66,000)	–	585,040	–	–	(24,000)	–	561,040
2 December 2024	23.54 (equivalent to RMB21.73)	12.62 (equivalent to RMB11.65)	23.69 (equivalent to RMB21.88)	25 December 2024 to 25 February 2026	153,500	–	–	(153,500)	–	–	–	–	–	–	–
2 December 2024	23.05 (equivalent to RMB21.29)	12.62 (equivalent to RMB11.65)	23.69 (equivalent to RMB21.88)	25 December 2025 to 25 February 2027	153,500	–	–	(9,000)	–	144,500	–	–	(26,000)	–	118,500
					1,836,944	–	(390,624)	(716,780)	–	729,540	–	–	(50,000)	–	679,540

Notes:

1. During the six months ended 30 June 2025, all vesting conditions of first tranche of Incentive Scheme were fulfilled and total of 390,624 restricted A shares were vested and unlocked to trade in the public market. The difference between the share price of Tongda Chuang Zhi and issued price of Incentive Scheme was recognised as capital reserve of HK$8,550,000 in the condensed consolidated statement of changes in equity.

2. For the six months ended 30 June 2026, certain participants had resigned or failed to fulfil of the sale and performance conditions under the Incentive Scheme, the Board of Tongda Chuang Zhi has resolved to repurchase a total of 50,000 (for the year ended 31 December 2025: 716,780) restricted A shares from these participants with the predetermined repurchase price, and such restricted A shares are subject to cancellation upon the completion of registration formalities. As at 30 June 2026, the repurchase of 50,000 restricted A shares remained incomplete, while the repurchase of 716,780 restricted A shares had been completed. The variance between the pre- determined repurchase price and the original issue price of the repurchased restricted A shares of HK$8,374,000 was recognised as a debit of capital reserve in the condensed consolidated statement of changes in equity. Subsequent to 30 June 2026 and up to the date of this interim report, the 716,780 repurchased restricted A shares have been cancelled.

The Group measured the fair value of the awarded shares at grant date valued by an independent professional valuer with inputs of Share's spot price of RMB25.69 and RMB21.88 per share, risk-free rate of 1.88%–2.34%, etc. During the Period, net share awards expense of HK$1,590,000 (six months ended 30 June 2025: HK$4,283,000) was charged to the condensed consolidated income statement.

17. COMMITMENTS

The Group had the following capital commitments contracted but not provided for, at the end of the reporting period:

	Unaudited 30 June 2026 HK$'000	Audited 31 December 2025 HK$'000
Contracted for commitments in respect of		
– Purchases of property, plant and equipment	**26,384**	39,605

18. RELATED PARTIES TRANSACTIONS

In addition to the transactions detailed elsewhere in these Interim Financial Statements, the Group had the following material transactions with related parties during the period:

	Notes	Unaudited Six months ended 30 June 2026 HK$'000	 2025 HK$'000
A jointly-controlled entity:			
Management fee, rental and utility charges	(i)	**2,485**	1,545
Subcontracting fee	(ii)	**18,986**	9,220
Interest income	(iii)	**1,049**	1,320
An associate:			
Rental and utility charges	(iv)	**3,392**	243

Notes:

(i) The management fee, rental and utility charges from a jointly-controlled entity represented the management fee charged for factory premises at a predetermined monthly rate per square metre for the period ended 30 June 2026 and the related utility charges.

(ii) The subcontracting fee to a jointly-controlled entity was made on a basis mutually agreed by both parties.

(iii) The interest income was charged at 2% per annum on the loan balances to the jointly-controlled entity.

(iv) The rental and utility charges from an associate represented the rental charged at a predetermined monthly rate and the related utility charged.

19. FAIR VALUE AND FAIR VALUE HIERARCHY

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of cash and cash equivalents, time deposits, pledged deposits, trade and bills receivables, amount due from a jointly-controlled entity, financial assets included in prepayments, deposits and other receivables, financial liabilities included in accrued liabilities and other payables, trade and bills payables and current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets at fair value through profit or loss, non-current portion of the interest-bearing bank borrowings and lease liabilities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values of the financial assets at fair value through profit or loss, interest-bearing bank borrowings and lease liabilities approximate to their carrying amounts.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: fair values measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs)

During the six months ended 30 June 2026, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

20. TRANSFERRED FINANCIAL ASSETS

(i) Transferred financial assets that are not derecognised in their entirety

The following table provides a summary of financial assets that have been transferred in such a way that part of the transferred financial assets does not qualify for derecognition, together with the associated liabilities:

	Unaudited 30 June 2026
	Bills receivable Notes (a) and (b) HK$'000
Carrying amount of assets that continued to be recognised	**99,731**
Carrying amount of associated liabilities	**99,731**

	Audited 31 December 2025
	Bills receivable Notes (a) and (b) HK$'000
Carrying amount of assets that continued to be recognised	179,822
Carrying amount of associated liabilities	179,822

Notes:

(a) Discounting of bills receivable

At 30 June 2026, the Group discounted certain bills receivable (the "Discounted Bills") with a carrying amount of HK$87,280,000 (31 December 2025: HK$123,782,000) to a local bank in the PRC for cash. In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to the Discounted Bills, and accordingly, it continued to recognise the full carrying amount of the Discounted Bills and the respective bank and other loans. Subsequent to the discounting, the Group does not retain any rights on the use of the Discounted Bills, including the sale, transfer or pledge of the Discounted Bills to any other third parties. The aggregate carrying amount of the bank and other loans recognised due to the Discounted Bills was HK$87,280,000 as at 30 June 2026 (31 December 2025: HK$123,782,000).

(b) Bills endorsement under the Law of Negotiable Instruments of the PRC

At 30 June 2026, the Group endorsed certain bills receivable issued by certain local banks and certain local financial institutions in the PRC (the "Endorsed Bills") with a carrying amount of HK$12,451,000 (31 December 2025: HK$56,040,000) to certain of its suppliers in order to settle the trade payables due to such suppliers. In the opinion of the directors, the Group has retained the substantial risks and rewards, which include default risks relating to the Endorsed Bills, and accordingly, it continued to recognise the full carrying amount of the Endorsed Bills and the associated trade payables settled. Subsequent to the endorsement, the Group does not retain any rights on the use of the Endorsed Bills, including the sale, transfer or pledge of the Endorsed Bills to any other third parties. The aggregate carrying amount of the trade payables settled by the Endorsed Bills during the period to which the suppliers have recourse was HK$12,451,000 (31 December 2025: HK$56,040,000) as at 30 June 2026.

(ii) Transferred financial assets that are derecognised in their entirety

(a) Discounting of bills receivable

At 30 June 2026, the Group discounted certain bills receivable (the "Derecognised Discounted Bills") with a carrying amount of HK$152,295,000 (31 December 2025: HK$102,443,000) to a financial institution in the PRC. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Discounted Bills have a right of recourse against the Group if the bills default (the "Continuing Involvement"). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Discounted Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Discounted Bills. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Discounted Bills and the undiscounted cash flows to repurchase these Derecognised Discounted Bills are equal to their carrying amounts of HK$152,295,000 (31 December 2025: HK$102,443,000). In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Discounted Bills are not significant. All Derecognised Discounted Bills have maturities from six to nine months.

During the Period, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Discounted Bills. No gains or losses were recognised from the Continuing Involvement, both during the Period or cumulatively. The discounting of bills has been made evenly throughout the Period.

(b) Bills endorsement under the Law of Negotiable Instruments of the PRC

At 30 June 2026, the Group endorsed certain bills receivable issued by certain reputable banks in the PRC (the "Derecognised Endorsed Bills") to certain of its suppliers in order to settle the trade payables due to such suppliers with a carrying amount in aggregate of HK$240,657,000 (31 December 2025: HK$234,044,000). The Derecognised Endorsed Bills have maturities from three to nine months at the end of the Period. In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Endorsed Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Endorsed Bills and the associated trade payables. The maximum exposure to loss from the Group's Continuing Involvement in the Derecognised Endorsed Bills and the undiscounted cash flows to repurchase these Derecognised Endorsed Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group's Continuing Involvement in the Derecognised Endorsed Bills are not significant.

During the Period, the Group has not recognised any gain or loss on the date of transfer of the Derecognised Endorsed Bills. No gains or losses were recognised from the Continuing Involvement, both during the Period or cumulatively. The Endorsement has been made evenly throughout the Period.

21. EVENTS AFTER THE PERIOD

There were no significant events affecting the Company or any of its subsidiaries after the end of the Period requiring disclosure in this report.

22. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements were approved and authorised for issue by the board of directors on 20 August 2026.

SUPPLEMENTARY INFORMATION

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the Period (2025: nil).

DIRECTORS' INTEREST AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2026, the interests and long positions of the directors in the share capital of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code (the "Model Code") for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules were as follows:

	Number of shares held, capacity and nature of interest				
Name of directors	**Directly beneficially owned**	**Through controlled corporation**	Note	**Total**	**Percentage of the Company's issued share capital** (Note 2)
Mr. Wang Ya Nan	–	75,843,300 (L)	1	75,843,300 (L)	38.95
Mr. Hui Wai Man	2,000,000 (L)	–		2,000,000 (L)	1.03
Dr. Yu Sun Say	648,300 (L)	–		648,300 (L)	0.33
Mr. Cheung Wah Fung, Christopher	119,000 (L)	–		119,000 (L)	0.06
Mr. Ting Leung Huel Stephen	200,000 (L)	–		200,000 (L)	0.10
Mr. Sze Irons	295,000 (L)	–		295,000 (L)	0.15

L: Long position
S: Short position

Notes:

1. 75,843,300 shares are held by Landmark Worldwide Holdings Limited, the issued share capital of which is beneficially owned as to 26.20%, 26.20%, 26.20% and 21.40% respectively by each Messrs. Wang Ya Nan, Wang Ya Hua, Wong Ah Yu and Wong Ah Yeung.

2. The percentages have been compiled based on the total number of issued shares (i.e. 194,712,152 shares) as at 30 June 2026.

Save as disclosed above, as at 30 June 2026, none of the directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the section headed "Share Option and Share Award Schemes" below, at no time during the Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION AND SHARE AWARD SCHEME

Share Option Scheme Operated by the Company

The Company adopted a new share option scheme (the "2025 Share Option Scheme") pursuant to an ordinary resolution passed at the extraordinary general meeting held on 29 May 2025. The new scheme was adopted following the expiration of the original scheme on 24 June 2023 and was for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

Participants of the 2025 Share Option Scheme

Pursuant to the terms of the 2025 Share Option Scheme, eligible participants include the employee participants, which are the director(s) and employee(s) (whether full-time or part-time but excludes a former employee of the Group unless such former employee otherwise qualifies as an eligible participant) of any member of the Group (including persons who are granted options under the 2025 Share Option Scheme as inducement to enter into employment contracts with any member of the Group).

The total number of shares which may be issued in respect of all share options which may be granted under the 2025 Share Option Scheme together with all options and awards which may be granted under any other share schemes for the time being of the Company shall not exceed such number of shares as equivalent to 10% of the issued share capital (excluding treasury shares) of the Company as at the date of approval of the 2025 Share Option Scheme (the "Scheme Mandate Limit"). Share options lapsed in accordance with the terms of the 2025 Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. On the contrary, options may be cancelled pursuant to the terms of the 2025 Share Option Scheme. The options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. As at the date of approval of the 2025 Share Option Scheme, 31 December 2025 and 30 June 2026, the total number of shares available for issue under the Scheme Mandate Limit was 19,471,215, 19,471,215 and 19,471,215 respectively, representing 10.00%, 10.00% and 10.00% of the weighted average number of shares of the relevant class in issue (excluding treasury shares) during the respective periods.

Maximum entitlement under the 2025 Share Option Scheme

Share options granted to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the 2025 Share Option Scheme must be approved by the independent non-executive directors of the Company (excluding an independent non-executive director who is the proposed grantee of the Company).

In addition, any share options are proposed to be granted to an independent non-executive director or a substantial shareholder (as defined in the Listing Rules) or any of their respective associates and if such grant would result in the shares issued and to be issued (including any treasury shares which may be transferred, as applicable) in respect of all share options and awards granted and to be granted (excluding any share options and awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12)-month period up to and including the date of grant representing in aggregate over 0.1% of the total issued shares (excluding any treasury shares), such further grant of share options must be approved by shareholders in a general meeting of the Company with such grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour of the proposed grant at such general meeting.

Option period under the 2025 Share Option Scheme

The period within which the option may be exercised by the grantee is to be determined and notified by the Directors to the grantee in respect of any particular option at the time of making an offer for grant of the option provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular option but subject to the provisions for early termination contained in the 2025 Share Option Scheme.

Vesting period under the 2025 Share Option Scheme

Save for specified circumstances under the terms of the 2025 Share Option Scheme, an option must be held by the grantee for at least twelve (12) months before the option can be exercised.

Amount payable on acceptance and period for payment under the 2025 Share Option Scheme

An offer shall remain open for acceptance for a period of 21 days from the offer date, after which the offer shall be deemed to have been irrevocably declined and lapsed automatically without notice. An offer shall be deemed to have been accepted by an eligible participant concerned in respect of all shares which are offered to such eligible participant when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant with the number of shares in respect of which the offer is accepted, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company.

Basis of determining exercise price under the 2025 Share Option Scheme

The price for shares to be subscribed under the 2025 Share Option Scheme may be determined by the Board at its absolute discretion, provided that it shall not be less than the highest of:

(a) the closing price of the shares as shown in the daily quotations sheet of the Stock Exchange on the offer date;

(b) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive business days immediately preceding the offer date; and

(c) the nominal value of the share on the offer date.

Life of the 2025 Share Option Scheme

The 2025 Share Option Scheme shall continue in force for the period commencing from 29 May 2025, being the adoption date, and expiring at the close of business on the date which falls ten (10) years after the adoption date, after such period no further share options will be granted but the provisions of the 2025 Share Option Scheme shall remain in full force and effect in respect of any share options granted before its expiry or termination but not yet exercised.

For the six months ended 30 June 2026 and the year ended 31 December 2025, no share options were granted by the Company under the 2025 Share Option Scheme. As at 30 June 2026 and 31 December 2025, there were no outstanding share options under the 2025 Share Option Scheme.

Share Award Scheme Operated by the Company

The Company adopted a share award scheme on 17 January 2022 (the "Share Award Scheme") under which the Directors may, from time to time, at its absolute discretion select any employee (other than excluded employee) for participation in the Share Award Scheme and determine the number of the awarded shares to be awarded to the selected employee(s) at a price per awarded share not less than the higher of:

(a) the par value of the share of the Company;

(b) 50% of the closing price of the shares of the Company as quoted on the Stock Exchange on the grant date; and

(c) 50% of the average of the closing prices of the shares of the Company as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the grant date.

The Board is entitled to impose any conditions, as it deems appropriate with respect to the entitlement of the selected employee to the awarded shares.

Purpose of the Share Award Scheme

The purpose of the Share Award Scheme is to (i) establish a mechanism of "risk sharing and benefit sharing" between middle and senior management and the Group, so that the middle and senior management have the opportunity to share the results of the Group's strategic development and organisational changes, and attract and retain core talents; (ii) establish an equity reward model linked to the Company's overall value and personal performance indicators and achieve diversified and long-term rewards for middle and senior management; and (iii) attract suitable personnel for further development of the Group.

Vesting period under the Share Award Scheme

Subject to the terms and conditions of the Share Award Scheme and the fulfilment of all specified vesting conditions (if any) specified, the respective awarded shares shall vest in such selected employee in accordance with the vesting schedule as set out in the award letter.

Amount payable on acceptance and period for payment under the Share Award Scheme

The total consideration payable for the awarded shares and the period for payment shall be specified in the relevant award letter.

Maximum entitlement under the Share Award Scheme

The maximum number of shares of the Company which may be awarded to a selected employee under the Share Award Scheme shall not exceed 1% of the shares in issue of the Company from time to time.

Life of the Share Award Scheme

The Share Award Scheme shall be valid and effective for a term of 10 years from 17 January 2022 unless terminated earlier by the Board and is administered by the Board and the trustee of the Share Award Scheme.

Shares available for award under the Share Award Scheme

The total number of shares to be awarded under the Share Award Scheme shall not exceed 10% of the total number of issued shares of the Company as at the adoption date of the Share Award Scheme. During the year ended 31 December 2025, 581,000 awarded shares were lapsed and the issue price paid for these awarded shares was refunded accordingly. Such lapsed awarded shares are available for further grant pursuant to the Share Award Scheme. The number of awards available for grant under the Share Award Scheme as at 1 January 2025, 31 December 2025 and 30 June 2026 was 18,563,215, 19,144,215 and 19,144,215 respectively after adjustment upon the share consolidation of every fifty (50) shares of HK$0.01 each into one (1) share of HK$0.5, which was approved by the Shareholders at the extraordinary general meeting on 9 October 2025 and effective on 13 October 2025 (the "Share Consolidation").

The number of shares that may be issued in respect of the awarded shares granted under the Share Award Scheme during the six months ended 30 June 2026 and up to the date of this report being nil shares (2025: nil).

Share Award Scheme Operated by a Subsidiary

Tongda Smart Tech (Xiamen) Co., Limited, a non-wholly owned subsidiary of the Group, whose shares were listed on the Main Board of Shenzhen Stock Exchange (stock code: SZ001368) ("Tongda Chuang Zhi") established and approved a restricted A share incentive scheme (the "Incentive Scheme") on 4 January 2024. The Incentive Scheme is designed to provide long-term incentives for middle level managers and above (excluding directors, supervisor, shareholders of Tongda Chuang Zhi who hold over 5% shares in Tongda Chuang Zhi and their direct family members) to deliver long-term shareholder returns.

Under the Incentive Scheme, 76 participants were granted 1,867,600 restricted A shares with a grant price of HK$14.31 (equivalent to RMB13.10) per share on 4 January 2024, and 17 participants were granted 307,000 restricted A shares with a grant price of HK$12.62 (equivalent to RMB11.65) per share on 2 December 2024.

The Incentive Scheme shall be valid not exceed 60 months from the date of completion of the registration of the first grant of the restricted A shares to the date when all these restricted A shares granted to the selected employee are released from restricted sale or repurchased and canceled. The total number of shares to be awarded under the Incentive Scheme did not exceed 10% of the total number of issued shares of Tongda Chuang Zhi at the announcement date of the Incentive Scheme. The maximum number of shares of Tongda Chuang Zhi which to be awarded to a selected employee under the Incentive Scheme did not exceed 1% of the shares in issue of Tongda Chuang Zhi at the announcement date of the Incentive Scheme. The number of awards available for grant under the Incentive Scheme as at 30 June 2026 was 10,129,836 (31 December 2025: 10,079,836).

The grant price was determined by not less than the higher of:

(a) the par value of the share of Tongda Chuang Zhi;

(b) 50% of the average price of the shares of Tongda Chuang Zhi as quoted on the Main Board of Shenzhen Stock Exchange on 1 day before the grant date; and

(c) 50% of the average price of the shares of Tongda Chuang Zhi as quoted on the Main Board of Shenzhen Stock Exchange on 120 days before the grant date.

All these shares are restricted for sale until certain service and performance conditions are met.

Further details of the share option and share award scheme were set out in note 16 to the condensed consolidated interim financial statements.

SUBSTANTIAL SHAREHOLDER

At 30 June 2026, as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO, the following party was interested in 5% or more of the Company's issued share capital:

Name of shareholder		Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital
Landmark Worldwide Holdings Limited	Note	Directly beneficially owned	75,843,300 (L)	38.95

L: Long position
S: Short position

Note: The issued share capital of Landmark Worldwide Holdings Limited is held and beneficially owned as to 26.20%, 26.20%, 26.20% and 21.40% respectively by each Messrs. Wang Ya Nan, Wang Ya Hua, Wong Ah Yu and Wong Ah Yeung.

Save as disclosed above, as at 30 June 2026, the Company had not been notified by any substantial shareholders other than directors or chief executives of the Company, who had interests or short positions in the shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the Period.

CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions of the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Part 2 of Appendix C1 to the Listing Rules, throughout the Period, except for the deviations as mentioned below.

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company does not have a separate chairman and chief executive and Mr. Wang Ya Nan currently holds both positions. The Board believes that vesting the roles of both chairman and chief executive in the same person provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies. The current structure is considered to be the most appropriate under specific circumstances.

AUDIT COMMITTEE

The audit committee of the Company (the "AC") comprises three independent non-executive Directors and one non-executive Director, namely Mr. Ting Leung Huel Stephen ("Mr. Ting"), Dr. Yu Sun Say, Mr. Cheung Wah Fung, Christopher and Ms. Chan Sze Man. Mr. Ting takes the chair of the AC. The terms of reference of the AC are aligned with the recommendations as set out in "A Guide for Effective Audit Committee" issued by the Hong Kong Institute of Certified Public Accountants and the CG Code. The AC provides accounting and financial advice and recommendations to the Board as well as monitor and safeguard the independence of external auditors and relevant auditing matters. Also, the AC is responsible for reviewing and supervising the risk management and internal control system of the Group.

The AC and the Company's auditor had reviewed the unaudited interim results of the Group for the Period prior to the submission to the Board for approval.

MODEL CODE OF SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out under Appendix C3 to the Listing Rules (the "Model Code") as the Company's code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry of all Directors, that they have fully complied with the required standard set out in the Model Code throughout the Period.

EVENTS AFTER THE PERIOD

There were no significant events affecting the Company or any of its subsidiaries after the end of the Period requiring disclosure in this report.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises Mr. Wang Ya Nan, Mr. Wang Hung Man, Mr. Wong Ming Sik, Mr. Wong Ming Yuet and Mr. Hui Wai Man as executive Directors; Ms. Chan Sze Man as non-executive Director; and Dr. Yu Sun Say, GBM, GBS, SBS, JP, Mr. Cheung Wah Fung, Christopher, GBS, SBS, JP, Mr. Ting Leung Huel, Stephen, MH and Mr. Sze Irons, GBS, BBS, JP as independent non-executive Directors.

On behalf of the Board
Tongda Group Holdings Limited
Wang Ya Nan
Chairman

Hong Kong, 20 August 2026