

中國鋁罐控股有限公司

China Aluminum Cans Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6898



2025
INTERIM REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

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

Independent Non-executive Directors

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

COMMITTEES OF THE BOARD

Audit Committee

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

Remuneration Committee

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

Nomination Committee

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

Risk Management Committee

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

AUTHORIZED REPRESENTATIVES

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

COMPANY SECRETARY

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

REGISTERED OFFICE

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Regatta Office Park
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Cayman Islands

HEADQUARTER OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

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Torch Development Zone
Zhongshan City
Guangdong Province
People's Republic of China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

CORPORATE INFORMATION**AUDITOR**

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Hong Kong

STOCK CODE

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

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17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

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

BUSINESS REVIEW

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

Our revenue is primarily derived from the sale of aluminum aerosol cans. For the six months ended 30 June 2025, revenue derived from the sale of aluminum aerosol cans was approximately HK\$117.6 million (six months ended 30 June 2024: approximately HK\$119.7 million). The Group’s revenue for the six months ended 30 June 2025 recorded a decrease of approximately 1.7% as compared to the corresponding period. The decrease in revenue was primarily due to the intensifying market competition caused by the overcapacity in the domestic industry, the continued tariff war between China and the United States, and the continued decline in revenue from overseas sales, which ultimately led to the slight decrease in revenue of the Group during the Reporting Period.

OPERATING ENVIRONMENT AND PROSPECTS

In 2025, the global economy showed signs of moderate recovery amid multiple challenges, but the complexity and uncertainty of the external environment persisted. Internationally, geopolitical risks had not been fundamentally resolved, commodity prices continued to fluctuate, inflationary pressures in certain developed economies eased but remained above historical levels, and adjustments to global supply chain had a long-term impact on the competitive landscape of the manufacturing sector. Domestically, as the “steady growth” policy gradually takes effect, consumption and investment showed a marginal improvement trend in the first half of the year, with pressure from domestic demand contraction easing compared to last year. Through deepening cooperation with customers and optimising production capacity, the Group’s sales revenue in the first half of the year still slightly declined compared to the same period last year. Currently, structural challenges persist, consumer confidence is recovering slowly, and overcapacity in certain industries is intensifying market competition. In addition, industrial policy adjustments (such as low-carbon transformation and technical standard upgrades) are bringing new adaptation costs. The Group will enhance operational resilience and drive innovation-driven transformation to steadily maintain its core business while seizing opportunities in green transition and high-end manufacturing, laying the foundation for high-quality development in the medium to long term. The Group will continue to face the following challenges: (i) intense price competition resulting from overcapacity in the global aluminum can industry; (ii) the risk of structural downgrading in demand amid uneven consumption recovery; and (iii) rising domestic environmental compliance costs and uncertainties related to changes in international trade policies.

In the face of complex domestic and international situation, the Group will continue to advance the following strategies: (i) while maintaining product diversity, strengthening research and development system construction, actively cultivating and attracting high-end research and development talent to comprehensively enhance innovation and research and development capabilities, and solidify the core competitiveness for the Group’s long-term development; (ii) adhering to the development model of “working closely with core customers” to deepen customer service, consolidate core partnership, and enhance customer loyalty; simultaneously optimizing the production layout network and expanding new customer development channels; (iii) accelerating capacity upgrades, reducing production costs through process innovation and lean management, improving production efficiency, and dynamically adjusting the capacity structure; and (iv) practicing the concept of “patent-based technology, patent standardisation and standardisation industrialization”, and actively leading or participating in the formulation and revision of various national, industry, group, and international standards to expand the Group’s industry influence.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Turnover

For the six months ended 30 June 2025, the Group's aluminum aerosol cans segment recorded a turnover of approximately HK\$117.6 million (six months ended 30 June 2024: approximately HK\$119.7 million), representing a decrease of approximately 1.7% as compared to the corresponding period of 2024. The number of aluminum aerosol cans sold by the Group for the six months ended 30 June 2025 was approximately 61.8 million (six months ended 30 June 2024: approximately 68.6 million). The decrease in revenue was primarily due to the intensifying market competition caused by the overcapacity in the domestic industry, the continued tariff war between China and the United States, and the continued decline in revenue from overseas sales, which ultimately led to the slight decrease in revenue of the Group during the Reporting Period.

PRC and overseas customers

The Group focused on PRC market, which the revenue from the PRC market amounted to approximately 90% for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately 88%). For the six months ended 30 June 2025, the PRC customers and overseas customers contributed approximately HK\$105.6 million (six months ended 30 June 2024: approximately HK\$105.3 million) and HK\$12.0 million (six months ended 30 June 2024: approximately HK\$14.4 million) to the total revenue of the Group. There was a decrease of approximately 16.8% in sales from overseas customers which was mainly due to the continued tariff war between China and the United States, and the continued decline in revenue from overseas sales.

Cost of Sales

For the six months ended 30 June 2025, cost of sales of the Group amounted to approximately HK\$87.5 million (six months ended 30 June 2024: approximately HK\$84.2 million), which represented approximately 74.4% (six months ended 30 June 2024: approximately 70.4%) of the turnover during the period. There was an increase of approximately 3.9% in cost of sales which was mainly attributable to the intensifying market competition caused by the overcapacity in the domestic industry and the decrease in selling price of the products.

Gross Profit and Gross Profit Margin

The Group recorded a gross profit amounted to approximately HK\$30.1 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately HK\$35.4 million), representing a decrease of approximately 15% as compared to the corresponding period. The decrease in gross profit was mainly driven by the reduction of selling price of the products in response to intensifying market competition. As a result, the gross profit margin decreased from approximately 30.0% for the six months ended 30 June 2024 to approximately 25.6% for the six months ended 30 June 2025.

Other Income and Gains

Other income and gains mainly comprise sale of scrap materials, investment gains, government grants and bank interest income. For the six months ended 30 June 2025, other income and gains of the Group was approximately HK\$5.2 million (six months ended 30 June 2024: approximately HK\$4.5 million), representing an increase of approximately 16% which was due to the net effects of the increase in investment gains.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling and Distribution Expenses

Selling and distribution expenses mainly consist of declaration charges for delivery of products to customers, salaries, performance bonuses and employee benefits expenses for the sales and marketing staff, business travel and entertainment expenses, and advertisement and promotion costs. For the six months ended 30 June 2025, selling and distribution expenses were approximately HK\$1.7 million (six months ended 30 June 2024: approximately HK\$2.1 million), representing a decrease of approximately 19.6% as compared to the corresponding period. The decrease was primarily due to the net effects of the decrease in business entertainment expenses.

Administrative Expenses

Administrative expenses mainly represent the salaries and benefits of the administrative and management staff, business travel and entertainment expenses, professional consulting fees, depreciation and other miscellaneous administrative expenses. For the six months ended 30 June 2025, administrative expenses were approximately HK\$9.8 million (six months ended 30 June 2024: approximately HK\$11.4 million), representing a decrease of approximately 14.6% as compared to the corresponding period. The decreased administrative expenses was primarily due to the decrease in repair and maintenance expenses.

Finance Costs

For the six months ended 30 June 2025, the finance costs of the Group were approximately HK\$6,000 (six months ended 30 June 2024: approximately HK\$9,000), representing a decrease of approximately 33.3% as compared to the corresponding period.

Net Profit

The Group's net profit amounted to approximately HK\$14.2 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately HK\$16.5 million), representing a decrease of approximately 13.7% as compared to the corresponding period. Net profit margin for the six months ended 30 June 2025 was approximately 12.1% (six months ended 30 June 2024: approximately 13.8%).

The decrease in net profit was mainly due to the net effects of (i) the intensifying industry competition in the domestic market and the decrease in selling price of the products; and (ii) the implementation of the strict cost control measures to reduce the general overhead.

TREASURY POLICY

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

LIQUIDITY AND CAPITAL RESOURCES

Current Assets

As at 30 June 2025, the Group had current assets of approximately HK\$133.7 million (31 December 2024: approximately HK\$109.4 million). The Group's cash and cash equivalents amounted to HK\$61.2 million as at 30 June 2025 (31 December 2024: approximately HK\$30.6 million) which are mainly denominated in Renminbi, United States dollars and Hong Kong dollars. The current ratio of the Group was approximately 5.3 as at 30 June 2025 (31 December 2024: approximately 5.4).

MANAGEMENT DISCUSSION AND ANALYSIS

Borrowings and the Pledge of Assets

As at 30 June 2025, the bank borrowings of the Group amounted to approximately HK\$0.05 million (31 December 2024: approximately HK\$0.05 million), which were secured by our property, plant and equipment and land use rights. All borrowings are charged with reference to the Loan Prime Rate of the People's Bank of China. All borrowings are denominated in Renminbi.

As at 30 June 2025, we had available unutilized banking facilities of approximately HK\$138.3 million (31 December 2024: approximately HK\$125.6 million).

Gearing Ratio

As a result of the increase in cash and cash equivalents of the Group, the gearing ratio which is calculated by dividing net debt by total equity, amounted to approximately -21% as at 30 June 2025 (31 December 2024: approximately -9%).

CAPITAL STRUCTURE

As at 30 June 2025, the total number of issued shares of the Company (the "Shares") was 956,675,000 (31 December 2024: 956,675,000).

FOREIGN EXCHANGE EXPOSURE AND EXCHANGE RATE RISK

Approximately 10% of the Group's revenue for the six months ended 30 June 2025 was denominated in United States dollars ("US\$"). However, over 95% of the production costs were settled in RMB. Therefore, there is a currency mismatch between US\$ revenue and RMB production costs, which gives rise to exposure to foreign exchange risk. Furthermore, there is a time lag between invoicing and final settlement from customers of export sales. The Group is exposed to foreign exchange risks if the foreign exchange rate at which the US\$ sales proceeds received from export sales is different from the rate at which the Group used to book the US\$ sales transactions at the time of sales.

During the six months ended 30 June 2025, we did not enter into any foreign currency forward contracts nor have any outstanding foreign currency forward contracts.

FORWARD PURCHASE OF ALUMINUM INGOTS

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

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

During the period ended 30 June 2025, we had not conducted any forward purchase of aluminum ingots and had no outstanding forward purchases of aluminum ingots.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND EMOLUMENTS POLICY

As at 30 June 2025, the Group had a workforce of 277 employees (31 December 2024: 269 employees). The staff costs, including directors' emoluments but excluding any contributions to the pension scheme, were approximately HK\$15.6 million for the six months ended 30 June 2025 (six months ended 30 June 2024: approximately HK\$15.6 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of an individual employee. In addition to a basic salary, year-end bonuses are offered to those staff with outstanding performance to retain eligible employees of the Group. Share options would be granted to respective employees with outstanding performance and contributions to the Group. The emoluments of the directors of the Company (the "Directors") have been determined with reference to the skills, knowledge, and contribution in the Company's affairs and the performance of each Director, and to the profitability of the Company and prevailing market conditions during the six months ended 30 June 2025.

SIGNIFICANT INVESTMENTS

As at 30 June 2025, the Group did not have any significant investments (31 December 2024: nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 June 2025, the Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures.

USE OF PROCEEDS

Our business objectives and planned use of proceeds as stated in the prospectus dated 28 June 2013 (the "Prospectus") were based on the best estimation of future market conditions made by the Group at the time of preparing the Prospectus. The actual use of proceeds was based on the actual market development. The net proceeds from the public offer and placing of the Shares (the "Share Offer") were approximately HK\$80 million. During the six months ended 30 June 2025, the net proceeds from the Share Offer had been applied as follows:

Business objectives as stated in the Prospectus	Actual net proceeds (HK\$ million)	Actual amount utilized up to 31 December 2024 (HK\$ million)	Actual amount utilized subsequent to 31 December 2024 and up to 30 June 2025 (HK\$ million)		Expected timeline for unutilised net proceeds
			Actual amount utilized subsequent to 31 December 2024 and up to 30 June 2025 (HK\$ million)	Remaining unutilized balance as at 30 June 2025 (HK\$ million)	
Partially fund the expansion of our production capacity, including the upgrade of our existing production lines and the acquisition of a brand new production line for aluminum aerosol cans	—	—	—	—	by 31 December 2026
Establish a new research and development laboratory	8.7	—	—	8.7	
Partially repay US\$ denominated bank loan	—	—	—	—	
General working capital purposes	—	—	—	—	
	8.7	—	—	8.7	

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

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

CAPITAL COMMITMENTS

As at 30 June 2025, the Group's capital commitments of plant and machinery amounted to approximately HK\$0.3 million (31 December 2024: HK\$0.55 million).

CONTINGENT LIABILITIES

As at 30 June 2025, the Group had no significant contingent liabilities (31 December 2024: nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

EVENTS AFTER REPORTING PERIOD

In July 2025, 37,628,000 shares were repurchased. The details of the shares repurchased by the Company on The Stock Exchange were as follows:

Month/year	Number of shares repurchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Aggregate price paid HK\$
July 2025	37,628,000	0.87	0.72	29,897,460

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

Save as disclosed herein, there were no significant events after 30 June 2025 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

ISSUE OF THE CONVERTIBLE NOTES

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

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

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

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

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

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

Assuming that there is no change in share capital of the Company since 30 June 2025 and the conversion rights attached to the Convertible Notes are exercised in full, the number of issued shares of the Company will be increased by 254,228,072 (the "Conversion Shares"), representing approximately 26.57% of the issued shares of the Company as at 30 June 2025 (i.e. 956,675,000 Shares) and approximately 20.99% of the issued shares of the Company as enlarged by the allotment and issue of the Conversion Shares (i.e. 1,210,903,072 Shares).

MANAGEMENT DISCUSSION AND ANALYSIS

Dilution effect of the conversion of Convertible Notes

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

Substantial Shareholders	As at 30 June 2025		Upon full conversion of Convertible Notes as at 30 June 2025	
	Number of Shares	Approximately % of issued Shares	Number of Shares	Approximately % of issued Shares
Mr. Lin Wan Tsang	392,546,000	41.03%	646,774,072	53.41%
Wellmass International Limited	268,000,000	28.01%	268,000,000	22.13%

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

Dilution impact on earnings per share

As calculated based on profit attributable to owners of the Company of approximately HK\$14.0 million for the six months ended 30 June 2025, basic and diluted earnings per share of the Company amounted to HK1.5 cents and HK1.2 cent, respectively.

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

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

Date	31 December 2025 (HK\$ per share)	31 December 2026 (HK\$ per share)
Share prices	0.55	0.55

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



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Independent review report

To the board of directors of China Aluminum Cans Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 13 to 27 which comprises the condensed consolidated statement of financial position of China Aluminum Cans Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Certified Public Accountants

Hong Kong
21 August 2025

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

For the six months ended 30 June 2025

	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
REVENUE	3	117,617	119,659
Cost of sales		(87,488)	(84,228)
Gross profit		30,129	35,431
Other income and gains		5,249	4,525
Selling and distribution expenses		(1,664)	(2,069)
Administrative expenses		(9,770)	(11,439)
Research and development expenses		(4,594)	(4,803)
(Impairment losses)/reversal of impairment losses on financial assets, net		(237)	489
Other expenses		(415)	(870)
Finance costs		(6)	(9)
PROFIT BEFORE TAX	4	18,692	21,255
Income tax expense	5	(4,483)	(4,782)
PROFIT FOR THE PERIOD		14,209	16,473
OTHER COMPREHENSIVE INCOME		—	
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		—	
Exchange differences on translation of foreign operations		4,034	(3,623)
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax		(726)	(186)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		17,517	12,664
Profit attributable to:			
Owners of the parent		13,956	16,189
Non-controlling interests		253	284
		14,209	16,473
Total comprehensive income attributable to:			
Owners of the parent		17,219	12,448
Non-controlling interests		298	216
		17,517	12,664
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	7		
Basic			
– For profit for the period		HK1.5 cents	HK1.7 cents
Diluted			
– For profit for the period		HK1.2 cents	HK1.3 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	8	154,244	160,222
Right-of-use assets		10,233	10,287
Deferred tax assets		3,154	3,071
Total non-current assets		167,631	173,580
CURRENT ASSETS			
Inventories		27,883	30,186
Trade and bills receivables	9	43,532	27,260
Prepayments, other receivables and other assets		1,125	3,063
Financial assets at fair value through profit or loss		—	6,479
Short-term treasury investments		—	11,832
Cash and cash equivalents		61,208	30,621
Total current assets		133,748	109,441
CURRENT LIABILITIES			
Trade and bills payables	10	8,738	5,913
Other payables and accruals		14,025	13,235
Interest-bearing bank and other borrowings		18	53
Lease liabilities		150	171
Tax payable		2,024	733
Deferred income		247	243
Total current liabilities		25,202	20,348
NET CURRENT ASSETS		108,546	89,093
TOTAL ASSETS LESS CURRENT LIABILITIES		276,177	262,673

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		27	—
Deferred tax liabilities		1,263	1,916
Deferred income		3,740	3,805
Total non-current liabilities		5,030	5,721
Net assets		271,147	256,952
EQUITY			
Equity attributable to owners of the parent			
Share capital	13	9,567	9,567
Equity component of convertible notes	14	139,826	139,826
Reserves		118,339	103,798
		267,732	253,191
Non-controlling interests		3,415	3,761
Total equity		271,147	256,952

Lin Wan Tsang
Director

Dong Jiangxiong
Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the parent											
	Share capital HK\$'000	Share premium account HK\$'000	Contributed surplus HK\$'000	Merger reserve HK\$'000	Equity component of convertible notes HK\$'000	Reserve funds HK\$'000	Fair value reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 31 December 2024 (audited)	9,567	730,675	111,196	(900,000)	139,826	56,459	717	(29,230)	133,981	253,191	3,761	256,952
Profit for the period	—	—	—	—	—	—	—	—	13,956	13,956	253	14,209
Other comprehensive loss for the period:												
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	—	—	—	—	—	—	51	—	—	51	3	54
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	3,980	—	3,980	54	4,034
Total comprehensive income for the period	—	—	—	—	—	—	51	3,980	13,956	17,987	310	18,297
Transfer of fair value reserve upon the disposal of equity investments at FVOCI	—	—	—	—	—	—	(768)	—	—	(768)	(12)	(780)
Transfer from retained profits	—	—	—	—	—	1,826	—	—	(1,826)	—	—	—
Dividends paid	—	—	—	—	—	—	—	—	(2,678)	(2,678)	(644)	(3,322)
At 30 June 2025 (unaudited)	9,567	730,675	111,196	(900,000)	139,826	58,285	—	(25,250)	143,433	267,732	3,415	271,147

	Attributable to owners of the parent												
	Share capital	Treasury shares	Share premium account	Contributed surplus	Merger reserve	Equity component of convertible notes	Reserve funds	Fair value reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 31 December 2023 (audited)	9,116	—	655,075	111,196	(900,000)	216,826	53,935	719	(24,404)	190,219	312,682	4,312	316,994
Profit for the period	—	—	—	—	—	—	—	—	—	16,189	16,189	284	16,473
Other comprehensive loss for the period:													
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	—	—	—	—	—	—	—	(184)	—	—	(184)	(2)	(186)
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	—	(3,557)	—	(3,557)	(66)	(3,623)
Total comprehensive income for the period	—	—	—	—	—	—	—	(184)	(3,557)	16,189	12,448	216	12,664
Exercise of the conversion rights attached to the Convertible Notes	1,180	—	63,720	—	—	(64,900)	—	—	—	—	—	—	—
Shares repurchased	—	(52,622)	—	—	—	—	—	—	—	—	(52,622)	—	(52,622)
Transfer from retained profits	—	—	—	—	—	—	2,047	—	—	(2,047)	—	—	—
Dividends paid	—	—	(4,118)	—	—	—	—	—	—	—	(4,118)	(816)	(4,934)
At 30 June 2024 (unaudited)	10,296	(52,622)	714,677	111,196	(900,000)	151,926	55,982	535	(27,961)	204,361	268,390	3,712	272,102

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Note	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		18,692	21,255
Adjustments for:			
Finance costs		6	9
Interest income		(223)	(319)
Dividend income from financial assets at fair value through profit or loss		(376)	—
Gain on derecognition of treasury investments		(781)	(477)
Loss on disposal of property, plant and equipment		17	119
Depreciation of items of property, plant and equipment	4	8,107	8,418
Depreciation of right-of-use assets	4	333	330
Provision/(reversal of provision of) write-down of inventories to net realisable value	4	848	(155)
Impairment losses/(reversal of impairment losses) on financial assets, net	4	237	(489)
		26,860	28,691
Increase/(decrease) in inventories		1,387	(1,620)
Increase in trade and bills receivables		(18,494)	(7,682)
Decrease in prepayments, deposits and other receivables		1,938	600
Decrease in amounts due from related parties		1,540	9,719
Increase in trade and bills payables		2,825	3,071
Increase/(decrease) in other payables and accruals		(1,888)	(2,911)
Decrease in deferred income		(124)	(125)
Cash generated from operations		14,044	29,743
Withholding tax paid		(2,382)	(3,014)
PRC corporate income tax paid		(1,578)	(1,195)
Net cash flows from operating activities		10,084	25,534

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend income from financial assets at fair value through profit or loss		376	—
Proceeds from disposal of financial assets at fair value through profit and loss		6,479	—
Purchases of items of property, plant and equipment	8	(5)	(4,320)
Proceeds from disposal of items of property, plant and equipment		845	95
Purchases of treasury investments		—	(9,754)
Proceeds from sales or upon maturities of treasury investments		12,613	37,333
Interest received from banks		223	319
Net cash flows from/(used in) investing activities		20,531	23,673
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loans		(35)	(36)
Interest paid		(6)	(9)
Dividends paid to non-controlling interests		(644)	(816)
Share repurchased		—	(65,000)
Principal portion of lease payments		(116)	(114)
Net cash flows used in financing activities		(801)	(65,975)
NET DECREASE IN CASH AND CASH EQUIVALENTS		29,814	(16,768)
Cash and cash equivalents at beginning of period		30,621	39,500
Effect of foreign exchange rate changes, net		773	997
CASH AND CASH EQUIVALENTS AT END OF PERIOD		61,208	23,729

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IAS 21

Lack of Exchangeability

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

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

3. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of goods	117,617	119,659

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Type of goods		
Sale of industrial products	117,617	119,659
Geographical markets		
Chinese Mainland	105,629	105,258
Africa	1,281	845
America	5,933	8,201
Asia	4,774	5,355
Total	117,617	119,659
Timing of revenue recognition		
Goods transferred at a point in time	117,617	119,659

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

4. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Cost of inventories sold	87,488	84,228
(Reversal) /provision of write-down of inventories to net realisable value	848	(155)
Impairment losses/(reversal of impairment losses) of financial assets, net	237	(489)
Depreciation of items of property, plant and equipment	8,107	8,418
Depreciation of right-of-use assets	333	330
Research and development costs	4,594	4,803
Exchange differences, net	45	574
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries	15,613	15,603
Pension scheme contributions	1,389	1,190

5. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current –Chinese Mainland	5,171	5,482
Deferred	(688)	(700)
Total	4,483	4,782

6. DIVIDENDS

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Proposed interim – HK 0.15 cent (2024: HK0.28 cent) per ordinary share	1,435	2,679

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

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

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

The calculation of the diluted earnings per share amounts is based on the consolidated profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	13,956	16,189
	Number of shares	
Shares		
Weighted average number of ordinary shares in issue used in the basic earnings per share calculation	955,388,227	931,425,192
Effect of dilution – weighted average number of ordinary shares: Convertible Notes (note 14)	254,228,072	276,228,072
Adjusted weighted average number of ordinary shares in issue used in the diluted earnings per share calculation	1,209,616,299	1,207,653,264

8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets with a cost of HK\$5,000 (30 June 2024: HK\$ 4,320,000).

Assets with a net book value of HK\$862,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: HK\$215,000), resulting in a net loss on disposal of HK\$17,000 (30 June 2024: a net loss in total of HK\$119,000).

During the six months ended 30 June 2025 and 2024, no impairment loss was recognised by the Group

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

9. TRADE AND BILLS RECEIVABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables	43,404	26,439
Impairment	(354)	(113)
Net carrying amount	43,050	26,326
Bills receivables	482	934
Total	43,532	27,260

An ageing analysis of the trade receivables as at the end of the reporting periods, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 30 days	13,366	9,657
31 to 60 days	9,413	6,768
61 to 90 days	7,128	7,483
Over 90 days*	13,143	2,418
Total	43,050	26,326

- * The outstanding balance of trade and bills receivables due from its related companies controlled by the ultimate shareholder of the Company is HK\$1,582,000 (31 December 2024: HK\$3,121,000) as at the end of the reporting period.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

10. TRADE AND BILLS PAYABLES

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

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 30 days	6,221	4,716
31 to 60 days	2,478	912
61 to 90 days	—	—
Over 90 days*	39	285
Total	8,738	5,913

11. COMMITMENTS

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

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Contracted, but not provided for:		
Plant and machinery	296	552

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

12. RELATED PARTY TRANSACTIONS

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

		For the six months ended 30 June	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Sales of products to:			
Guangzhou Botny Chemical Co., Ltd. ("Botny Chemical") (廣州保賜利化工有限公司)	(i)	—	427
Guangzhou Euro Asia Aerosol and Household Products Manufacture Co., Ltd. ("Euro Asia Aerosol") (廣州歐亞氣霧劑與日化用品製造有限公司)	(i)	5,741	7,161
Total		5,741	7,588
Lease rental expenses charged by:			
Mr. Lin Wan Tsang	(ii)	33	33

Notes:

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

- (b) Outstanding balances with a related party:

The Group had an outstanding balance due to its related companies controlled by the ultimate shareholder of the Company amounting to HK\$13,000 (31 December 2024: HK\$13,000) as at the end of the reporting period. The Group had an outstanding balance due from its related companies controlled by the ultimate shareholder of the Company amounting to HK\$1,587,000 (31 December 2024: HK\$3,126,000) as at the end of the reporting period. This balance is unsecured, interest-free and has no fixed terms of repayment.

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

	For the six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Fees	976	1,009
Salaries, allowances and benefits in kind	342	335
Pension scheme contributions	61	36
Total compensation paid to key management personnel	1,379	1,380

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

13. SHARE CAPITAL

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Authorised 1,500,000,000 (31 December 2024: 1,500,000,000) ordinary shares of HK\$0.1	15,000,000	15,000,000
Issued and fully paid 956,675,000 (31 December 2024: 956,675,000) ordinary shares of HK\$0.1	9,566,750	9,566,750
Equivalent to HK\$'000	9,567	9,567

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

	Number of shares in issue	Share capital HK\$'000
At 31 December 2024 (audited) and 30 June 2025 (unaudited)	956,675,000	9,567

14. CONVERTIBLE NOTES

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

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

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

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

14. CONVERTIBLE NOTES *(continued)*

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

Assuming that there is no change in share capital of the Company since 30 June 2025 and the conversion rights attached to the Convertible Notes are exercised in full, the number of issued Shares will be increased by 254,228,072, representing approximately 26.57% of the issued share capital of the Company as at 31 December 2024 (i.e. 956,675,000 Shares) and approximately 20.99% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares (i.e. 1,210,903,072 Shares).

15. EVENTS AFTER THE REPORTING PERIOD

In July 2025, 37,628,000 shares were repurchased. The details of the shares repurchased by the Company on the Stock Exchange were as follows:

Month/year	Number of shares repurchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Aggregate price paid HK\$
July 2025	37,628,000	0.87	0.72	29,897,460

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

Save as disclosed herein, there were no significant events after 30 June 2025 and up to the date of this report.

OTHER INFORMATION

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

As at 30 June 2025, interests or short positions in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) held by the Directors and chief executive of the Company which have been notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") are as follows:

(i) Long positions in the Shares

Names of Director	Number of Ordinary Shares		Total	Approximate percentage of the issued Shares (Note 1)
	Beneficial owner	Interests in a controlled corporation		
Mr. Lin Wan Tsang ("Mr. Lin")	392,546,000	268,000,000 (Note 2)	660,546,000	69.04%

Notes:

- (1) These percentages have been compiled based on the total number of issued Shares as at 30 June 2025 (i.e. 210,903,072 Shares).
- (2) These Shares are held by Wellmass International Limited ("Wellmass"), which is wholly and beneficially owned by Mr. Lin.

OTHER INFORMATION

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

Name of the holder of the convertible notes	Principal amount of the convertible notes	Number of the total underlying Shares	Approximate percentage of the issued Shares (Note 1)
Mr. Lin (Note 2)	139,825,440	254,228,072	26.57%

Notes:

1. These percentages have been compiled based on the total number of issued Shares as at 30 June 2025 (i.e. 210,903,072 Shares).
2. These convertible notes were issued by the Company on 8 July 2015 as part of the consideration to the acquisition of Topspan Holdings Limited and its subsidiaries on 20 May 2015. They are unlisted, interest-free and convertible into the Shares at the conversion price of HK\$0.55 per Share.

Save as disclosed above, none of the Directors or chief executive of the Company and/or any of their respective close associates had registered any interests or short positions in any Shares, underlying Shares in, and debentures of, the Company or any associated corporations as at 30 June 2025, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

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

As at 30 June 2025, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

(i) Long Positions in the Shares

Name of shareholder	Capacity/Nature of interests	Number of Shares held	Approximate percentage of issued Shares (Note 1)
Wellmass (Note 2)	Beneficial owner	268,000,000	28.01%

Notes:

- (1) These percentages have been compiled based on the total number of issued Shares as at 30 June 2025 (i.e. 210,903,072 Shares).
- (2) Wellmass is a company incorporated in the British Virgin Islands, and is solely and beneficially owned by Mr. Lin.

OTHER INFORMATION

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

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

Save as disclosed above, as at 30 June 2025, no person, other than the Director and chief executive of the Company, whose interests are set out in the section "Director's and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had registered an interest or short position in the Shares or underlying Shares that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

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

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the six months ended 30 June 2025 and up to the date of this report, none of the Directors or any of their respective close associates has engaged in any business that had competed or may compete with the business of the Group and any other conflict of interests which any such person had or might have with the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the sections headed "Director's and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above and "Pre-IPO Share Option Scheme" below, at no time during the six months ended 30 June 2025 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective close associates nor was the Company, its parent company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors, or their respective close associates to acquire such rights in any other body corporate.

PRE-IPO SHARE OPTION SCHEME AND SHARE OPTION SCHEME

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

OTHER INFORMATION

PRE-IPO SHARE OPTION SCHEME

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

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

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

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

OTHER INFORMATION

PRE-IPO SHARE OPTION SCHEME *(Continued)*

During the six months ended 30 June 2025, no share options were granted, exercised, lapsed and cancelled under the Pre-IPO Share Option Scheme.

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

2013 SHARE OPTION SCHEME

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

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

The Share Option Scheme was terminated on 19 May 2023.

During the six months ended 30 June 2025, no Share options were granted, exercised, lapsed and cancelled under the Share Option Scheme. No further options will be granted by the Company pursuant to the 2013 Share Option Scheme.

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

2023 SHARE OPTION SCHEME

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

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

During the six months ended 30 June 2025, no share options were granted, exercised, lapsed and cancelled under the 2023 Share Option Scheme. The number of options available for grant under the scheme mandate of the 2023 Share Option Scheme as at 1 January 2025 and 30 June 2025 is 90,178,500.

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

OTHER INFORMATION

AUDIT COMMITTEE

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

The Audit Committee has reviewed, with the management, the accounting principles and policies adopted by the Group, and discussed the unaudited condensed consolidated financial statements matters of the Group for the six months ended 30 June 2025 and recommended its adoption by the Board.

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

RISK MANAGEMENT COMMITTEE

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

The Risk Management Committee has reviewed the hedging policies regarding its activities in forward purchases of aluminum ingots and entering into foreign currency forward contracts statements of the Group for the six months ended 30 June 2025 and is of the opinion that the Group has complied with the hedging policy.

OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the CG Code during the six months ended 30 June 2025, except the CG Code provision C.2.1.

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the publicly available information and to the best of the Directors' knowledge, information and belief, the Company had maintained sufficient public float of not less than 25% of its total issued Shares as required under the Listing Rules for the six months ended 30 June 2025 and to the date of this report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding the Directors' securities transactions. All Directors have confirmed that, following specific enquiries made by the Company, they have complied with the required standards set out in the Model Code for the six months ended 30 June 2025.

DIVIDENDS

The Board has resolved to declare an interim dividend of HK0.15 cent per Share for the six months ended 30 June 2025 (six months ended 30 June 2024: HK0.28 cent per Share) to be payable on or around 28 October 2025 to the shareholders of the Company whose names appear on the register of members of the Company on 10 September 2025. As of the date of this report, Shares repurchased and cancelled were not included in 2025 interim dividend distribution.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 5 September 2025 to 10 September 2025, both days inclusive, during which period no transfers of Shares shall be effected. In order to qualify for the interim dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 4 September 2025.

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

Hong Kong
 21 August 2025