BEST PACIFIC

Best Pacific International Holdings Limited
超盈國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2111)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

- The Group's revenue for the six months ended 30 June 2026 amounted to approximately HK$2,625.5 million, representing an increase of approximately 12.7%, as compared to the six months ended 30 June 2025.

  Sales revenue of sportswear and apparel fabric materials for the six months ended 30 June 2026 recorded a period-on-period growth of approximately 22.9% and amounted to approximately HK$1,511.9 million (for the six months ended 30 June 2025: approximately HK$1,230.6 million).

- The Group's gross profit for the six months ended 30 June 2026 amounted to approximately HK$712.4 million, representing an increase of approximately 14.8%, as compared to the six months ended 30 June 2025. The Group's gross profit margin was approximately 27.1% for the six months ended 30 June 2026, as compared to approximately 26.6% for the six months ended 30 June 2025.

- The Group's net profit for the six months ended 30 June 2026 amounted to approximately HK$260.4 million (for the six months ended 30 June 2025: approximately HK$270.7 million). The Group's net profit margin was approximately 9.9% for the six months ended 30 June 2026, as compared to approximately 11.6% for the six months ended 30 June 2025.

  Profit attributable to owners of the Company for the six months ended 30 June 2026 amounted to approximately HK$252.2 million, representing a decrease of approximately 3.2%, as compared to the six months ended 30 June 2025.

- As at 30 June 2026, the Group's net gearing ratio was approximately 6.3%, as compared to approximately 6.4% as at 31 December 2025. The Group was in a net debt position of approximately HK$259.7 million as at 30 June 2026, as compared to approximately HK$247.9 million as at 31 December 2025.

- Basic earnings per share was approximately HK24.25 cents for the six months ended 30 June 2026, representing a decrease of approximately 3.2% from approximately HK25.05 cents for the six months ended 30 June 2025.

- The Board has resolved to declare an interim dividend of HK12.1 cents per ordinary share for the six months ended 30 June 2026 (for the six months ended 30 June 2025: HK12.5 cents per ordinary share).

The board of Directors (the "**Board**") of Best Pacific International Holdings Limited (the "**Company**" or "**Best Pacific**" or "**we**") is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2025, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2026 (unaudited)

		Six months ended	
		30.6.2026	30.6.2025
	Notes	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Revenue	4	**2,625,499**	2,329,836
Cost of sales		**(1,913,101)**	(1,709,402)
Gross profit		**712,398**	620,434
Other income		**24,727**	44,207
Other gains and losses		**(37,344)**	(1,134)
Net remeasurement of credit loss allowance for trade receivables		**(2,207)**	4,230
Selling and distribution expenses		**(130,287)**	(105,266)
Administrative expenses		**(187,000)**	(157,482)
Research and development costs		**(57,133)**	(55,080)
Share of result of a joint venture		**1,574**	1,645
Finance costs		**(33,359)**	(41,793)
Profit before taxation	5	**291,369**	309,761
Income tax expense	6	**(30,936)**	(39,103)
Profit for the period		**260,433**	270,658
Profit for the period attributable to			
– Owners of the Company		**252,190**	260,438
– Non-controlling interests		**8,243**	10,220
		260,433	270,658
Basic earnings per share *(HK cents)*	8	**24.25**	25.05

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period	**260,433**	270,658
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	**133,780**	16,796
Share of translation reserve of a joint venture	**(659)**	(294)
Other comprehensive income for the period	**133,121**	16,502
Total comprehensive income for the period	**393,554**	287,160
Total comprehensive income for the period attributable to		
– Owners of the Company	**385,311**	276,940
– Non-controlling interests	**8,243**	10,220
	393,554	287,160

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026 (unaudited)

	Notes	**30.6.2026** ***HK$'000*** **(unaudited)**	31.12.2025 *HK$'000* (audited)
Non-current assets			
Property, plant and equipment	9	**2,714,687**	2,661,750
Right-of-use assets	9	**502,772**	486,689
Interest in a joint venture		**38,109**	36,535
Deposits		**148,541**	85,227
Deferred tax assets		**17,229**	17,113
		3,421,338	3,287,314
Current assets			
Inventories		**1,561,214**	1,301,387
Trade and bills receivables	10	**868,790**	836,890
Other receivables, deposits and prepayments		**120,374**	109,744
Pledged bank deposits		**95,641**	90,255
Bank balances and cash		**1,302,928**	1,037,292
		3,948,947	3,375,568
Current liabilities			
Trade payables	11	**456,080**	369,378
Bills payables	11	**309,693**	304,963
Other payables and accrued charges		**323,901**	324,776
Dividend payable	7	**145,573**	–
Contract liabilities		**41,990**	46,210
Bank and other borrowings	12	**579,871**	558,412
Lease liabilities		**132,241**	118,357
Tax payables		**11,776**	20,451
		2,001,125	1,742,547
Net current assets		**1,947,822**	1,633,021
Total assets less current liabilities		**5,369,160**	4,920,335

	Note	30.6.2026 HK$'000 (unaudited)	31.12.2025 HK$'000 (audited)
Non-current liabilities			
Bank and other borrowings	12	**1,078,389**	817,063
Lease liabilities		**101,477**	160,767
Deferred income		**8,880**	9,457
Deferred tax liabilities		**10,602**	11,201
Retirement benefit obligations		**14,790**	15,114
Other liabilities		**18,785**	18,477
		1,232,923	1,032,079
Net assets		**4,136,237**	3,888,256
Capital and reserves			
Share capital		**10,398**	10,398
Reserves		**4,014,032**	3,774,294
Equity attributable to owners of the Company		**4,024,430**	3,784,692
Non-controlling interests		**111,807**	103,564
Total equity		**4,136,237**	3,888,256

NOTES

For the six months ended 30 June 2026

1. GENERAL INFORMATION

The Company is a public company incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 14 June 2013. Its immediate holding company is Grandvista Investment Holdings Limited, which is incorporated in the British Virgin Islands ("**BVI**"). The directors consider the Company's ultimate holding company is Brilliant Harvest Group Limited, a company incorporated in the BVI. The Company's ultimate controlling party is TMF (Cayman) Ltd, the trustee of Mr. Lu Yuguang's family trust. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 23 May 2014.

The functional currency of the Company is Hong Kong dollar ("**HK$**"), which is the same as the presentation currency of the condensed consolidated financial statements.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

3. MATERIAL ACCOUNTING POLICY INFORMATION

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards as disclosed below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

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

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
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue

The Group's revenue is derived from manufacturing and trading of elastic fabric, lace and elastic webbing in Chinese Mainland, Hong Kong, the Socialist Republic of Vietnam ("**Vietnam**") and the Democratic Socialist Republic of Sri Lanka ("**Sri Lanka**"), net of discounts and sales related taxes.

Disaggregation of revenue from contracts with customers

Revenue from manufacturing and trading of elastic fabric, lace and elastic webbing are recognised at a point in time.

For the six months ended 30 June 2026 (unaudited)

Types of goods	**Manufacturing and trading of elastic fabric and lace** *HK$'000*	**Manufacturing and trading of elastic webbing** *HK$'000*	**Total** *HK$'000*
Sales of products			
Elastic fabric			
– Sportswear and apparel	**1,511,924**	**–**	**1,511,924**
– Lingerie	**514,216**	**–**	**514,216**
	2,026,140	**–**	**2,026,140**
Lace	**23,365**	**–**	**23,365**
Elastic webbing	**–**	**575,994**	**575,994**
	2,049,505	**575,994**	**2,625,499**

For the six months ended 30 June 2025 (unaudited)

Types of goods	Manufacturing and trading of elastic fabric and lace *HK$'000*	Manufacturing and trading of elastic webbing *HK$'000*	Total *HK$'000*
Sales of products			
Elastic fabric			
– Sportswear and apparel	1,230,597	–	1,230,597
– Lingerie	576,547	–	576,547
	1,807,144	–	1,807,144
Lace	22,076	–	22,076
Elastic webbing	–	500,616	500,616
	1,829,220	500,616	2,329,836

Segment information

The financial information reported to executive directors of the Company, being the chief operating decision makers ("**CODM**"), for the purpose of assessment of segment performance and resources allocation focuses on types of goods delivered.

The Group's operating and reportable segments under HKFRS 8 are as follows:

- Manufacturing and trading of elastic fabric and lace

  This segment derives its revenue from manufacturing and trading of elastic fabric and lace made commonly from synthetic fibres that are used in high-end knitted lingerie, sportswear and apparel products.

- Manufacturing and trading of elastic webbing

  This segment derives its revenue from manufacturing and trading of elastic webbing made commonly from synthetic fibres that are used as shoulder straps, lingerie trims and waistbands.

Segment revenue and results

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

For the six months ended 30 June 2026 (unaudited)

	Manufacturing and trading of elastic fabric and lace *HK$'000*	**Manufacturing and trading of elastic webbing** *HK$'000*	**Total** *HK$'000*
Segment revenue from external customers	**2,049,505**	**575,994**	**2,625,499**
Segment gross profit	**544,301**	**168,097**	**712,398**
Segment profit	**267,845**	**99,209**	**367,054**
Unallocated other income			**10,356**
Unallocated other gains and losses			**(37,372)**
Unallocated corporate expenses			**(16,884)**
Share of result of a joint venture			**1,574**
Finance costs			**(33,359)**
Profit before taxation			**291,369**

For the six months ended 30 June 2025 (unaudited)

	Manufacturing and trading of elastic fabric and lace *HK$'000*	Manufacturing and trading of elastic webbing *HK$'000*	Total *HK$'000*
Segment revenue from external customers	1,829,220	500,616	2,329,836
Segment gross profit	505,274	115,160	620,434
Segment profit	309,613	55,631	365,244
Unallocated other income			7,311
Unallocated other gains and losses			(658)
Unallocated corporate expenses			(21,988)
Share of result of a joint venture			1,645
Finance costs			(41,793)
Profit before taxation			309,761

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment profit represents the results of each segment without allocation of corporate items including mainly bank interest income, net foreign exchange loss, corporate expenses, share of result of a joint venture and finance costs. Corporate expenses include directors' remuneration paid or payable by the Group and certain administrative expenses for corporate functions. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

5. PROFIT BEFORE TAXATION

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit before taxation has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**205,822**	191,873
Depreciation of right-of-use assets	**39,770**	30,455
Depreciation capitalised in inventories	**(227,318)**	(203,870)
	18,274	18,458
Cost of inventories recognised as an expense	**1,913,101**	1,709,402
Including: provision for (reversal of) allowance for slow-moving inventories	**24,706**	(2,493)
Bank interest income (included in other income)	**(5,569)**	(5,036)
Government grants (included in other income)	**(8,834)**	(3,589)
Net proceeds from sales of scrap materials (included in other income)	**(5,298)**	(7,642)
Performance bonus received from selected customers (included in other income)	**–**	(21,000)
Net foreign exchange loss (included in other gains and losses)	**37,372**	658

6. INCOME TAX EXPENSE

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Current tax:		
Hong Kong Profits Tax	**13,169**	27,593
The People's Republic of China ("**PRC**") Enterprise Income Tax ("**EIT**")	**8,900**	11,975
Income tax in other jurisdictions	**7,523**	9,399
Under-provision (over-provision) in prior years:		
The PRC EIT	**2,059**	(1,465)
	31,651	47,502
Deferred taxation	**(715)**	(8,399)
	30,936	39,103

Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2 million profit of the qualifying group entity will be taxed at 8.25%, and profit above HK$2 million will be taxed at 16.5%. Accordingly, the Hong Kong Profits Tax for the profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime is applicable to both periods.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC companies is 25% during the six months ended 30 June 2026 and 2025 respectively, unless there is any applicable preferential tax treatment.

The Company's subsidiaries, Dongguan Best Pacific Textile Company Limited ("**Dongguan BPT**") and Dongguan New Horizon Elastic Fabric Company Limited ("**Dongguan NHE**"), had obtained the qualification as high and new technology enterprises since 2010 and 2016, respectively, which were further renewed for an additional three years from the year ended 31 December 2025. Hence, Dongguan BPT and Dongguan NHE were subject to the preferential tax treatment and the applicable tax rate for the six months ended 30 June 2026 and 2025 was 15%.

Withholding tax on dividends from subsidiaries established in the PRC was calculated at 5% of the estimated dividends to be received from the subsidiaries in the PRC during the six months ended 30 June 2026 and 2025.

Pursuant to the relevant Vietnam Enterprises Income Tax rules and regulations, the applicable tax rate for the subsidiaries operating in Vietnam is 20%. One of the subsidiaries of the Group in Vietnam is eligible for a tax holiday for two financial years since the first financial year of taxable profit and a tax concession at a tax rate of 10% for the following four financial years. With the new incentive in place during the year ended 31 December 2018 and by fulfilling certain stated requirements as set by the Ministry of Industry and Trade of Vietnam, the subsidiary of the Group in Vietnam had been eligible for a tax holiday for four financial years since 2018, a tax concession at a tax rate of 5% for the following nine financial years and a tax concession at a tax rate of 10% for the next following two financial years. The applicable tax rate for the six months ended 30 June 2026 and 2025 was 5%. Another subsidiary in Vietnam is eligible for a tax holiday for four financial years since the first financial year of taxable profit, a tax concession at a tax rate of 5% for the following nine financial years and a tax concession at a tax rate of 10% for the next following two financial years. No provision for Vietnam Enterprises Income Tax had been made for this subsidiary, as it had no assessable profit during the six months ended 30 June 2026 and 2025.

According to the amendments to the Inland Revenue Act No. 24 of 2017 passed by the Sri Lankan parliament on 9 December 2022, the subsidiaries of the Group operating in Sri Lanka are liable for an income tax rate of 30% from 1 July 2022 onwards. In addition, the main business of one of these subsidiaries was eligible for a tax holiday up to the year ended 31 December 2024, a tax concession at a tax rate of 10% for the following two financial years and a tax concession at a tax rate of 15% for the financial years thereafter. The applicable tax rate for the main business of this subsidiary for the six months ended 30 June 2026 was 10% (for the six months ended 30 June 2025: 10%).

Taxation arising in any other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

7. DIVIDENDS

During the current interim period, a final dividend of HK14 cents per ordinary share in respect of the year ended 31 December 2025 (2025: HK15.91 cents per ordinary share in respect of the year ended 31 December 2024) was declared to the shareholders of the Company and was approved by the shareholders at the annual general meeting on 9 June 2026. The final dividend for the year ended 31 December 2025 amounted to approximately HK$145,573,000 (2025: the final dividend for the year ended 31 December 2024 amounted to approximately HK$165,433,000) was subsequently paid to shareholders in July 2026 (2025: July 2025).

Subsequent to the end of the current interim period, the directors of the Company have resolved to declare interim dividend of HK12.1 cents per ordinary share for the six months ended 30 June 2026 (2025: HK12.5 cents per ordinary share for the six months ended 30 June 2025).

8. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	Six months ended	
	30.6.2026	30.6.2025
	(unaudited)	(unaudited)
Earnings		
Earnings for the purposes of basic earnings per share (profit for the period attributable to owners of the Company) *(HK$'000)*	**252,190**	260,438
Number of shares		
Number of ordinary shares for the purpose of basic earnings per share	**1,039,808,000**	1,039,808,000

No diluted earnings per share for the six months ended 30 June 2026 and 2025 was presented as there was no potential ordinary shares in issue for the six months ended 30 June 2026 and 2025.

9. MOVEMENT IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, total additions to property, plant and equipment were approximately HK$201,047,000 (for the six months ended 30 June 2025: approximately HK$171,913,000), which mainly included additions to construction in progress of approximately HK$92,328,000 (for the six months ended 30 June 2025: approximately HK$131,224,000) and additions to machinery of approximately HK$98,789,000 (for the six months ended 30 June 2025: approximately HK$34,227,000).

During the six months ended 30 June 2026, total transfer from construction in progress to buildings was approximately HK$3,943,000 (for the six months ended 30 June 2025: approximately HK$10,119,000 and HK$48,048,000 were transferred from construction in progress to buildings and machinery respectively).

During the six months ended 30 June 2026, the Group entered into various new lease agreements with lease term of one to three years, for leasing of factory premises in the PRC and Sri Lanka. On lease commencement, the Group recognised lease liabilities of approximately HK$50,745,000 (for the six months ended 30 June 2025: approximately HK$31,075,000) and total additions to right-of-use assets were approximately HK$50,745,000 (for the six months ended 30 June 2025: approximately HK$31,075,000).

10. TRADE AND BILLS RECEIVABLES

	30.06.2026 *HK$'000* (unaudited)	31.12.2025 *HK$'000* (audited)
Trade receivables	**871,127**	833,585
Less: Allowance for credit losses	**(9,160)**	(7,012)
Net trade receivables	**861,967**	826,573
Bills receivables	**6,823**	10,317
Total trade and bills receivables	**868,790**	836,890

Trade receivables balance mainly represented receivables from customers in relation to the sale of elastic fabric, lace and elastic webbing. The credit period granted to the customers ranges from 30 to 120 days from the date of issuance of a monthly statement for sales delivered in that particular month.

The following is an ageing analysis of trade receivables, net of allowance for credit losses, presented based on the invoice date at the end of each reporting period, and an ageing analysis of bills receivables, presented based on the date of issuance of the bills which are outstanding as at the end of each reporting period:

	30.06.2026 *HK$'000* (unaudited)	31.12.2025 *HK$'000* (audited)
Trade receivables		
0–90 days	**801,898**	754,782
91–180 days	**60,069**	70,933
Over 180 days	**–**	858
	861,967	826,573
Bills receivables		
0–90 days	**6,181**	10,317
91–180 days	**642**	–
	6,823	10,317

11. TRADE AND BILLS PAYABLES

Trade payables

The credit period granted by the Group's creditors ranges from approximately 30 to 90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

	30.06.2026	31.12.2025
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0–90 days	**436,074**	359,192
91–180 days	**20,006**	10,186
	456,080	369,378

Bills payables

The following is an ageing analysis of bills payables presented based on the date of issuance of bills which are outstanding as at the end of each reporting period:

	30.06.2026	31.12.2025
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0–90 days	**139,715**	181,978
91–180 days	**169,978**	122,985
	309,693	304,963

12. BANK AND OTHER BORROWINGS

	30.06.2026	31.12.2025
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Unsecured syndicated loan	**190,000**	190,000
Unsecured bank borrowings	**1,337,123**	1,050,438
Unsecured other borrowings *(Note)*	**131,137**	135,037
	1,658,260	1,375,475
Bank borrowings repayable*:		
Within one year	**564,583**	558,412
More than one year, but not exceeding two years	**513,067**	397,895
More than two years, but not exceeding five years	**449,473**	284,131
	1,527,123	1,240,438
Other borrowings repayable*:		
Within one year	**15,288**	–
More than one year, but not exceeding two years	**92,839**	112,027
Over five years	**23,010**	23,010
	131,137	135,037
Total borrowings	**1,658,260**	1,375,475
Less: Amounts due within one year or contain a repayment on demand clause shown under current liabilities	**(579,871)**	(558,412)
Amounts shown under non-current liabilities	**1,078,389**	817,063
Carrying amount of bank borrowings that are repayable within one year and contain a repayment on demand clause	**438,358**	450,114

Note: Other borrowings represent loans from non-controlling shareholders of certain subsidiaries which are unsecured, carry interest at Secured Overnight Financing Rate plus a spread per annum and repayable from the year ending 31 December 2027 to the year ending 31 December 2031 (2025: repayable from the year ending 31 December 2025 to the year ending 31 December 2027). Such other borrowings were denominated in United States Dollar ("**US$**").

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET AND BUSINESS REVIEW

The international macroeconomic landscape in the first half of 2026 was defined by persistent inflationary pressures that severely tested global retail markets. Geopolitical tensions in the Middle East, particularly conflicts disrupting key shipping corridors like the Strait of Hormuz, triggered a dramatic spike in Brent crude oil prices, which peaked near US$120 per barrel in April 2026. This energy shock rapidly translated into soaring freight rates and higher costs for petroleum derivatives, squeezing manufacturer margins and embedding higher inflation expectations across the supply chain. In the United States of America ("**U.S.**"), these compounding cost pressures pushed inflation to 3.5% in June 2026, according to the U.S. Bureau of Labor Statistics. In response, the U.S. Federal Reserve, under its new chair, maintained a restrictive "higher-for-longer" interest rate stance to curb price growth. This tight monetary environment had a profound impact on downstream retail markets. Major Western retailers faced a notable shift in consumer behaviour, as households increasingly prioritized essential goods over big-ticket items to navigate the sustained cost-of-living squeeze.

The global textile industry was not immune to the above mentioned macroeconomic headwinds in the first half of 2026, even as procurement networks largely absorbed the financial impact of long-standing U.S. tariffs. With sourcing strategies now treating these duties as standard operational costs, intermittent tariff adjustments no longer trigger severe market disruptions. This adaptive baseline allowed regional manufacturing hubs to record distinct, localized export performances. China reaffirmed its role as the industry's bedrock, with knitted fabric and apparel exports reaching approximately US$51.5 billion in the first half of 2026 according to the China Customs Statistics, representing a steady 1.3% period-on-period increase. Simultaneously, global brands continued to accelerate their "China Plus One" strategies to diversify supply chain risks. Being one of the primary beneficiaries of this shift, the textile and garment export value in Vietnam hit approximately US$18.9 billion in the first half of 2026, representing the highest half year data according to the General Department of Customs in Vietnam. Despite rising order volumes, manufacturers in both hubs noted that elevated input costs continued to weigh on overall profitability.

To navigate the challenging macroeconomic environment during the period, the Group swiftly implemented a series of proactive and appropriate operational measures. Our innovative, high-quality product portfolio continued to resonate with our downstream retail brands customers. The Group achieved a robust growth of approximately 12.7% in overall revenue during the Reporting Period, reaching a record-high first-half overall revenue of approximately HK$2,625.5 million. Notably, our sportswear and apparel fabric segment delivered an exceptional performance, capturing a remarkable period-on-period growth of approximately 22.9% in the first half of 2026 and securing a record-high first-half segment revenue of approximately HK$1,511.9 million. Furthermore, by leveraging on the economies of scale across our production facilities and executing targeted strategies, our gross profit margin had reached approximately 27.1% for the six months ended 30 June 2026, representing a 0.5% growth when compared to the corresponding period in 2025. However, the sharp appreciation of Renminbi ("**RMB**") by approximately 3% against US$ during the first half of 2026 had weighed on our bottom-line profitability, as half of our capacity is still based in Chinese Mainland.

The profit attributable to owners of the Company amounted to approximately HK$252.2 million for the six months ended 30 June 2026, representing a decrease of approximately 3.2% compared to the corresponding period in 2025.

Basic earnings per share was approximately HK24.25 cents for the Reporting Period, representing a decrease of approximately 3.2% from approximately HK25.05 cents for the six months ended 30 June 2025.

OUR INTERNATIONAL OPERATIONS

Our international manufacturing footprint constitutes a pivotal competitive advantage for Best Pacific. We are committed to delivering sustainable supply chain solutions that align with the best interests of our customers – which encompass reducing production lead time, managing the overall rising manufacturing costs, and navigating intricate trade and tariff complexities.

Vietnam

During the first half of 2026, Vietnam maintained its position as one of Southeast Asia's fastest-growing economies, recording a robust gross domestic product ("**GDP**") expansion of 8.2% according to the General Statistics Office of Vietnam. This resilient growth trajectory was heavily anchored by its industrial sector, as global procurement networks continuously redirected production lines to diversify supply chain vulnerabilities. However, this intensive influx of foreign direct investment triggered a structural labour shortage across major manufacturing zones, heavily intensifying competition for skilled labour. Compounding this supply-side strain, local operating costs scaled upward, following an average of 7.2% nation-wide minimum wage increment at the start of the year. On the other hand, Vietnam stood as the world's third-largest exporter of finished apparel, the country's heavy reliance on imported materials and acute structural shortage in domestic synthetic textile and fabric production created a highly favourable landscape for our growth in the region.

Amid this dynamic operating backdrop, the Group's Vietnam operation secured strong order allocations that drove powerful period-on-period revenue growth of approximately 25.2%. This elevated throughput enabled our factory to maximize its production efficiencies, capturing vital economies of scale that effectively protected our operating margins against localized wage inflation and other rising costs. Furthermore, the favourable local tax incentives enabled our Vietnam operation to cement its position as the most profitable production centre among all the Group's regional manufacturing hubs. To capture this ongoing structural demand, expansion plans are moving ahead dynamically; our new production hub located in Nghe An, Vietnam (the "**Nghe An Facility**") is actively under construction, with phase 1 facilities slated to commence operations in the first quarter of 2027.

Sri Lanka

During the first half of 2026, Sri Lanka sustained its positive macroeconomic recovery trajectory, driven by a rather stabilizing domestic inflation, dropping market interest rates, and a significant revival in tourism receipts. This strengthening economic framework provided a stable operating foundation for the country's industrial sectors. However, Sri Lanka's textile and apparel export sector experienced a mild contraction during the Reporting Period, with the island's total apparel and textile export earnings declining by approximately 6.1% period-on-period to US$2,442.1 million, according to data from the Sri Lanka Export Development Board. This downturn reflected relatively sluggish global demand and intensifying competition among major textile and garment exporting nations.

Navigating this mixed business and operational environment, the Group's manufacturing hubs in Sri Lanka, on a combined basis, managed to secure a steady growth in both sales revenue and net profit for the six months ended 30 June 2026.

FINANCIAL REVIEW

Revenue

The Group's revenue is primarily derived from the sales of its major products, including elastic fabric, elastic webbing and lace.

Our revenue for the six months ended 30 June 2026 totalled approximately HK$2,625.5 million, representing an increase of approximately HK$295.7 million, or approximately 12.7%, from approximately HK$2,329.8 million for the six months ended 30 June 2025. The increase was largely attributable to the exceptional performance delivered by our sportswear and apparel elastic fabric segment and elastic webbing segment.

A comparison of the Group's revenue for the six months ended 30 June 2026 and the six months ended 30 June 2025 by product categories is as follows:

	Six months ended					
	30.6.2026		30.6.2025		Change	
	Revenue *(HK$'000)*	**% of Revenue**	Revenue *(HK$'000)*	% of Revenue	*(HK$'000)*	%
Elastic fabric	**2,026,140**	**77.2**	1,807,144	77.6	218,996	12.1
– *Sportswear and apparel*	***1,511,924***	***57.6***	*1,230,597*	*52.8*	*281,327*	*22.9*
– *Lingerie*	***514,216***	***19.6***	*576,547*	*24.8*	*(62,331)*	*(10.8)*
Elastic webbing	**575,994**	**21.9**	500,616	21.5	75,378	15.1
Lace	**23,365**	**0.9**	22,076	0.9	1,289	5.8
Total	**2,625,499**	**100.0**	2,329,836	100.0	295,663	12.7

During the Reporting Period, the Group delivered exceptional performance within its sportswear and apparel elastic fabric segment, achieving significant revenue growth of approximately 22.9% period-on-period and securing a record-high first-half revenue for this segment. This powerful momentum was primarily propelled by the enduring global athleisure trend, alongside a structural market shift where downstream consumer demand heavily favoured high-quality, comfortable and functional fabrics. Market intelligence highlights this structural expansion. Based on the latest forecast performed by Grand View Research (an independent market research company), the global athleisure sector is projected to grow at a robust compound annual growth rate of 9.9% from 2026 to 2033, capturing an increasing share of the broader apparel ecosystem. Capitalizing on this trend and leveraging on our strong research and development ("**R&D**") ability, the Group successfully deepened strategic collaborations with key existing brand partners while concurrently securing incremental order pipelines from emerging new customers. Nevertheless, our lingerie fabric segment experienced a 10.8% period-on-period decline in revenue. This contraction was largely driven by a sluggish global lingerie market, reflecting generally cautious discretionary spending across major Western retail markets.

The Group's elastic webbing segment demonstrated strong resilience, recording a solid period-on-period revenue expansion of approximately 15.1%. This growth was primarily driven by an optimized product mix, which included the launch of yarn-dyed as well as sportswear webbing products launch in recent years.

Cost of sales, gross profit and gross profit margin

The Group's cost of sales mainly comprises the cost of raw materials, manufacturing overheads, and direct labour costs.

For the six months ended 30 June 2026, the Group's cost of sales amounted to approximately HK$1,913.1 million, representing an increase of approximately HK$203.7 million or approximately 11.9%, as compared to the six months ended 30 June 2025. The overall increase in cost of sales in the first half of 2026 was primarily due to the increase in overall sales revenue and production scale.

	Six months ended			
	30.6.2026		30.6.2025	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	HK$'000	*%*	*HK$'000*	*%*
Elastic fabric and lace	**544,301**	**26.6**	505,274	27.6
Elastic webbing	**168,097**	**29.2**	115,160	23.0
Overall	**712,398**	**27.1**	620,434	26.6

The Group's gross profit rose to approximately HK$712.4 million in the first half of 2026, up by approximately 14.8% period-on-period and was fuelled by double-digit revenue growth and an improved margin. This performance was achieved despite a spike in synthetic raw material prices linked to Middle East tensions since late February 2026, as the Group's standard two-to-three-month inventory buffer helped mitigate some of the impact during the relevant period. Consequently, the Group recorded a slight decrease in the cost contribution from raw materials, which accounted for approximately 32.8% and 32.0% of overall revenue for the six months ended 30 June 2025 and 2026, respectively. The cost contribution of other expenses, including labour costs and oil related energy costs, had also increased during the Reporting Period. Additionally, RMB appreciation exacerbated the cost impact from all RMB denominated expenses. Nevertheless, the Group always strived to maintain strict cost discipline and the increase in economies of scales had also helped ease some of these elevated cost pressures.

For the six months ended 30 June 2026, the gross profit margin expansion of elastic webbing business segment was primarily driven by enhanced economies of scale in production, combined with a favourable reduction in the recognised cost of key raw materials, in which we were utilising our on-hand inventory, as compared to the corresponding period in 2025.

Other income

The Group's other income mainly consists of bank interest income, government grants, net proceeds from sales of scrap materials and others. The following table sets forth the breakdown of the Group's other income for the periods indicated:

	Six months ended	
	30.6.2026	30.6.2025
	HK$'000	*HK$'000*
Bank interest income	**5,569**	5,036
Government grants	**8,834**	3,589
Net proceeds from sales of scrap materials	**5,298**	7,642
Performance bonus received from selected customers	**–**	21,000
Others	**5,026**	6,940
Total	**24,727**	44,207

The Group's other income decreased from approximately HK$44.2 million for the six months ended 30 June 2025 to approximately HK$24.7 million for the six months ended 30 June 2026. This decline was mainly attributable to the cessation of performance bonus scheme from selected customers.

Other gains and losses

Other gains and losses of the Group in the six months ended 30 June 2026 mainly consisted of a net foreign exchange loss of approximately HK$37.4 million as a result of the persistent appreciation of RMB during the Reporting Period (for the six months ended 30 June 2025: a net foreign exchange loss of approximately HK$0.7 million).

Selling and distribution expenses

Selling and distribution expenses primarily consist of employee benefit expenses, transportation, travelling expenses, marketing and promotional expenses and other selling and distribution expenses. For the six months ended 30 June 2025 and 2026, the Group's selling and distribution expenses represented approximately 4.5% and 5.0% of its total revenue respectively. The increase in the ratio of selling and distribution expenses against total revenue was mainly due to the strategic allocation of additional resources to capture emerging market opportunities, alongside the negative impact from RMB appreciation.

Administrative expenses

Administrative expenses primarily consist of employee benefit expenses, depreciation, rental expenses, motor vehicle expenses and other administrative expenses. For the six months ended 30 June 2025 and 2026, the Group's administrative expenses represented approximately 6.8% and 7.1% of its total revenue respectively. The increase in administrative expenses during the Reporting Period was due to a number of factors including but not limited to increased employee benefit expenses and pre-operational expenses incurred for the Nghe An Facility.

Research and development costs

The Group is dedicated to catering to changing market preferences by introducing innovative lingerie, sportswear and apparel materials. For the six months ended 30 June 2025 and 2026, the Group's R&D costs represented approximately 2.4% and 2.2% of its total revenue, respectively.

Finance costs

The Group's finance costs mainly represent interest expenses for bank and other borrowings and lease liabilities. The finance costs decreased by approximately 20.2% from approximately HK$41.8 million for the six months ended 30 June 2025 to approximately HK$33.4 million for the six months ended 30 June 2026. The decrease in finance costs during the six months ended 30 June 2026 was primarily due to the generally lower borrowing interest rates during the Reporting Period.

Income tax expense

Taxation arising in a jurisdiction is calculated at the tax rate prevailing in the relevant jurisdiction. For the six months ended 30 June 2026, the income tax expense amounted to approximately HK$30.9 million, as compared to approximately HK$39.1 million for the six months ended 30 June 2025.

The effective tax rate of the Group was approximately 10.6% for period ended 30 June 2026, as compared to approximately 12.6% for period ended 30 June 2025. The decrease in effective tax rate during the Reporting Period was mainly due to the increase in profit contribution to the Group from our subsidiary in Vietnam which was enjoying a preferential income tax rate.

Net profit and net profit margin

For the six months ended 30 June 2026, the Group reported a net profit of approximately HK$260.4 million, reflecting a decrease of approximately 3.8%, as compared to approximately HK$270.7 million for the six months ended 30 June 2025. The Group's net profit margin was approximately 9.9% for the six months ended 30 June 2026 (for the six months ended 30 June 2025: net profit margin was approximately 11.6%). The modest decline in net profit and net profit margin during the Reporting Period was primarily attributable to the foreign exchange loss resulting from the appreciation of RMB against US$ during the period. With approximately half of the Group's production capacity still located in Chinese Mainland and the majority business being export sales denominated in US$ or HK$, the rapid appreciation of RMB during the Reporting Period had an adverse impact on both the translation of the Group's RMB denominated expenses and the revaluation of inter-company current accounts between various Chinese Mainland and Hong Kong subsidiaries.

Liquidity, financial resources and bank borrowings

As at 30 June 2026, net working capital (calculated as current assets less current liabilities) was approximately HK$1,947.8 million, representing an increase of approximately HK$314.8 million, as compared to approximately HK$1,633.0 million as at 31 December 2025. The current ratio (calculated as current assets divided by current liabilities) was at 2.0 times as at 30 June 2026, as compared to 1.9 times as at 31 December 2025.

The Group had earnings before interest, tax, depreciation and amortisation ("**EBITDA**", calculated as profit for the period adding back finance costs, income tax expense, depreciation and amortisation) for the six months ended 30 June 2026 of approximately HK$570.3 million (for the six months ended 30 June 2025: approximately HK$573.9 million). The slight contraction in EBITDA was primarily attributable to a decline in net profit.

Net cash generated from operating activities decreased from approximately HK$348.2 million for the six months ended 30 June 2025 to approximately HK$307.3 million for the six months ended 30 June 2026, which was primarily attributable to a slight decrease in profit before taxation as well as increased payments to procure raw materials towards the end of the Reporting Period, with which prices were driven up by the increased oil prices.

Net cash used in investing activities amounted to approximately HK$225.1 million for the six months ended 30 June 2026, as compared to approximately HK$75.3 million for the six months ended 30 June 2025. To achieve our long-term development goals and accommodate potential future business growth, the Group paid approximately HK$230.1 million during the Reporting Period for the procurement of equipment and other fixed assets for the whole Group, as well as for the construction of the Nghe An Facility.

For the six months ended 30 June 2026, net cash from financing activities amounted to approximately HK$151.7 million, as compared to net cash used in financing activities of approximately HK$114.9 million for the six months ended 30 June 2025. The increase in financing cash flows for the six months ended 30 June 2026 was driven by new bank borrowings.

As at 30 June 2026, the Group's net gearing ratio was approximately 6.3% (as at 31 December 2025: approximately 6.4%), which was calculated on the basis of the amount of net debt position (sum of total bank and other borrowings, less bank deposits and bank balances and cash) as a percentage of total equity. The Group was in a net debt position of approximately HK$259.7 million as at 30 June 2026, as compared to approximately HK$247.9 million as at 31 December 2025.

Working capital management

The Group had a relatively stable trade and bills receivables turnover days of approximately 58.8 days for the six months ended 30 June 2026, as compared to approximately 62.2 days for the year ended 31 December 2025. The Group also had a stable trade and bills payables turnover days of approximately 68.1 days for the six months ended 30 June 2026, as compared to approximately 69.4 days for the year ended 31 December 2025. Inventory turnover days increased from approximately 126.7 days for the year ended 31 December 2025 to approximately 135.4 days for the six months ended 30 June 2026, driven by a higher carrying value of inventory resulting from spikes in input costs linked to ongoing Middle East geopolitical tensions.

Capital expenditures

For the six months ended 30 June 2026, total additions to property, plant and equipment and leasehold land and land use rights amounted to approximately HK$209.3 million (for the six months ended 30 June 2025: approximately HK$171.9 million), mainly for additions of new machinery for the whole Group as well as for the construction of the Nghe An Facility, catering for the Group's business expansion initiatives.

Pledge of assets

As at 30 June 2026, the Group pledged bank deposits of approximately HK$95.6 million (as at 31 December 2025: approximately HK$90.3 million) to secure the bills payables issued by the Group in connection with its trade transactions.

Foreign exchange risk

A substantial portion of the Group's revenue is denominated in US$ and HK$ and a portion of its purchases and expenses are denominated in RMB, Vietnam Dong ("**VND**") and Sri Lankan Rupee ("**LKR**"). Any significant exchange rate fluctuations of these foreign currencies against US$ and HK$ may have a financial impact on the Group. The Group manages its foreign exchange risk by performing regular reviews and monitoring its foreign exchange exposure. Our finance department monitors our foreign exchange risk on a continuous basis by analysing our domestic and overseas sales orders on hand, expected domestic and overseas orders from customers and estimated foreign currency payments for our purchases and expenses. We intend to manage our foreign exchange risks by (i) managing our sales, purchases and expenses denominated in HK$ and RMB through our subsidiaries in Hong Kong and Chinese Mainland, respectively, as well as managing our sales, purchases and expenses denominated in US$ through our subsidiaries in Hong Kong, Vietnam and Sri Lanka, and managing our purchases and expenses denominated in VND and LKR through our subsidiaries in Vietnam and Sri Lanka, respectively; and (ii) holding cash and bank deposits denominated in HK$ primarily by the Company and its subsidiaries in Hong Kong, holding cash and bank deposits denominated in US$ primarily by the Company and its subsidiaries in Hong Kong, Vietnam and Sri Lanka, and holding cash and bank deposits denominated in RMB, VND and LKR primarily by our subsidiaries in Chinese Mainland, Vietnam and Sri Lanka, respectively.

Employees and remuneration policies

The Group's remuneration packages include salary, bonuses, allowances and retirement benefits based on employees' performance, skills and knowledge. The Group also provides additional benefits to its employees that include subsidised accommodation, meals, accident and medical insurance and share incentives granted to eligible employees under the share award scheme and share option scheme of the Company from time to time. The Group will continue to provide regular training and competitive remuneration packages to its staff.

The Group continues to invest in its people. As at 30 June 2026, the Group employed a total of 12,802 employees (as at 31 December 2025: 11,826). The increase in the number of employees was primarily driven by new headcount recruited during the first half of the year to support the Group's expanding business scale and planned operational growth.

Contingent liabilities

As at 30 June 2026, the Group did not have any significant contingent liabilities.

Events after the Reporting Period

Save as disclosed elsewhere in this announcement, there had been no events that had significant impacts on the Group after the Reporting Period and up to the date of this announcement.

FUTURE DEVELOPMENT

Geopolitical instability in the Middle East continues to inject severe volatility into global energy and commodity markets. Since the second quarter of 2026, oil prices swung drastically between approximately US$70 and US$120 per barrel, a trend of ongoing fluctuation that continues to impact our raw material costs. In tandem with these supply-side shocks, the macroeconomic outlook for 2026 and 2027 reflects a cautious and uneven growth landscape. According to updated figures from the International Monetary Fund ("**IMF**"), global GDP growth is projected to remain steady at 3.0% for 2026, before recovering moderately to 3.4% in 2027. Regionally, the IMF projects a stable 2.3% and 2.2% GDP growth for the U.S. in 2026 and 2027, respectively, while China's GDP growth is expected to reach 4.6% in 2026 and 4.1% in 2027 amid ongoing structural transitions. Meanwhile, global disinflation has stalled due to persistent energy and logistics pressures, which will likely keep central bank interest rates elevated for longer than previously anticipated. This complex economic matrix may potentially impact consumer demands. Furthermore, we anticipate continued fluctuations in the RMB exchange rate, influenced by shifting interest rate differentials and evolving international trade dynamics, which in turn will impact on our business and profitability.

As a multinational textile exporter operating balanced production hubs across China, Vietnam, and Sri Lanka, the abovementioned macroeconomic shifts pose both structural cost challenges and distinct operational opportunities. In proactive response to rising supply-side input costs sparked by the Middle East conflict, our management team initiated collaborative and transparent discussions with our core brand partners to explore upward price adjustments. While these successful price adjustments in the second half of the year should help mitigate some of the cost pressure stemming from the raw materials price hikes, any pushback from brand customers would leave our margins in the second half of 2026 vulnerable. On the other hand, our resilient operational footprints have allowed us to maintain strong customer trust, translating into a set of excellent sales figures throughout the first half of the year. Given the visible pipeline, we maintain a stable sales growth forecast for the remaining months of the year and preserve a positive outlook for our market share over the medium to long term. Looking ahead, we will continue to dedicate strategic resources to our innovation and R&D capability, expanding our portfolio of premium, high-value-added products to fluidly meet the evolving requirements of our top-tier global brand partners.

Navigating this dynamic landscape, the management team remains firmly committed to closely monitoring market-driven risks, including commodity price spikes and currency market variations. We will continue to drive our geographic footprint and manufacturing expansion strategy in a disciplined, risk-managed, and gradual manner to safeguard corporate liquidity. Over time, the organic expansion of our global business scale will allow us to capture greater economies of scale, systematically absorbing inflationary cost pressures. By seamlessly blending disciplined financial risk management with aggressive product development, we are confident in our ability to reinforce our long-term competitive advantages and deliver consistent, sustainable value to our shareholders.

Sportswear and apparel markets

Looking ahead, the global sports and apparel market is set to sustain its upward trajectory, fuelled by a deepening cultural shift towards holistic well-being and the enduring resilience of athletic wear as a modern wardrobe staple. The Group's sportswear and apparel segment remains positioned as a pivotal, long-term growth driver. Demonstrating immense operational resilience and our world class product innovation, we achieved a stellar period-on-period growth of approximately 22.9% during the Reporting Period with total sales of the segment reaching approximately HK$1,511.9 million. This performance was bolstered by broad-based demand, characterized by healthy sales growth across the vast majority of our core customers and complemented by a strategic expansion into high-potential new client accounts. To seize further growth opportunities, the Group is steadily increasing its investment in its R&D capability and our focus is on developing the next-generation, high-performance products that help strengthen our market position. Ultimately, we aim to build stronger, mutually beneficial partnerships with our key brand customers, laying a solid foundation for sustainable, long-term growth.

International expansion and capital expenditure

As of 30 June 2026, the overall annual designed production capacities of elastic fabric, elastic webbing and lace of the Group were approximately 284.3 million meters, 2,045.9 million meters and 46.0 million meters, respectively. The Group's diversified international footprint remains one of its foundational competitive advantages, serving as a critical pillar for long-term value creation. In an increasingly complex global trade environment, our multi-regional manufacturing network provides clients with a resilient and highly adaptable supply chain solution. This geographically distributed infrastructure effectively insulates our partners from risks associated with bilateral trade friction, fluctuating tariff structures, and localized geopolitical disruptions. By offering a secure, compliant and sustainable sourcing ecosystem, we not only solidify our position as a preferred partner for global apparel brands but also reinforce our long-term commitment to proactive geographic diversification as a means to capture decentralized global demand.

In alignment with this global expansion strategy, the development of the Nghe An Facility in Vietnam is progressing smoothly, with phase 1 anticipated to commence trial production in the first quarter of 2027. This strategic asset is positioned to capitalize on emerging market opportunities within the regional sector, which continues to benefit from favourable structural growth drivers. Upon full implementation of phase 1, the Group's total manufacturing capacity is projected to increase by 10% to 15%. This incremental capacity expansion is precisely calibrated to match our long-term growth forecasts, which are firmly supported by the Group's historical business volume patterns and robust customer demand cycles.

To fund this expansion in a highly controlled and disciplined manner, the Group continues to exercise strict, prudent cash management. Utilizing strategic payment schedules, the majority of the construction outlays for the Nghe An Facility project is scheduled for settlement in the latter half of the fiscal year. Capital expenditures related to phase 1 of this project are projected to reach between HK$500 million and HK$1,000 million. The Group's strong internal cash generation forms the primary line of defence for these commitments; the HK$307.3 million in net cash inflow generated from operations during the first half of 2026, paired with an anticipated similar cash flow performance in the second half, will be partially deployed to settle these construction obligations. The remaining capital requirements will be funded through targeted credit facility drawdowns. Despite this temporary increase in leverage, the Group's net gearing ratio is projected to remain at a conservatively low level, underscoring our healthy and exceptionally resilient balance sheet.

Best Pacific's long-term sustainable growth and future success are underpinned by a powerful combination of core competencies. By combining world-class innovation with a highly diversified international footprint and deep-seated customer relationships, we have built an agile operational baseline. Backed by our talented workforce and a robust financial position, this solid foundation ensures the Group is structurally prepared to capitalize on emerging global market opportunities and achieve enduring operational excellence.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including any sale of treasury shares) during the six months ended 30 June 2026.

AUDIT COMMITTEE

The Audit Committee of the Company, comprising the three independent non-executive Directors (being Mr. Cheung Yat Ming, Mr. Kuo Dah Chih, Stanford and Mr. Lam Yin Shing, Donald), has reviewed with the management the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 and the internal control procedures of the Group, and has discussed the relevant financial reporting matters.

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated results of the Group for the six months ended 30 June 2026 have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA, by Deloitte Touche Tohmatsu, certified public accountants and registered public interest entity auditors in Hong Kong, and the Audit Committee of the Company has no disagreement.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK12.1 cents per ordinary share of the Company for the six months ended 30 June 2026 (the "**Interim Dividend**"). The Interim Dividend is expected to be paid on Friday, 9 October 2026 to all shareholders whose names appear on the register of members of the Company on Tuesday, 22 September 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 18 September 2026 to Tuesday, 22 September 2026 (both days inclusive) for the purpose of determining the entitlement to the Interim Dividend. In order to be qualified for the Interim Dividend, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the corresponding share certificates are lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 17 September 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is of the view that throughout the six months ended 30 June 2026, the Company had complied with the code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our shareholders, customers, bankers and other business associates for their continuous trusts and support. My appreciation also goes to our colleagues for their diligence, contributions and commitment to the continuous success of the Group.

By Order of the Board
Best Pacific International Holdings Limited
Lu Yuguang
Chairman

Hong Kong, 24 August 2026

As at the date of this announcement, the Board comprises Mr. Lu Yuguang, Mr. Zhang Haitao, Mr. Wu Shaolun, Ms. Zheng Tingting, Mr. Chan Yiu Sing, Mr. Lu Libin, Mr. Cheung Yat Ming, Mr. Kuo Dah Chih, Stanford* and Mr. Lam Yin Shing, Donald*.*

* *Independent non-executive Director*