BOE VARITRONIX LIMITED

(*Incorporated in Bermuda with limited liability*)

(Stock Code: 710)

2026 INTERIM RESULTS ANNOUNCEMENT

The board (the "Board") of directors (the "Director(s)") of BOE Varitronix Limited ("BOEVx" or the "Company") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2026 ("1H 2026") together with the comparative figures for the corresponding period in 2025 ("1H 2025").

RESULTS HIGHLIGHTS

HK$ million (Unless otherwise indicated)	**For the six months ended 30 June 2026**	**For the six months ended 30 June 2025**
Revenue	7,064	6,671
EBITDA[1]	315	338
Profit for the Period	145.0	169.5
Basic Earnings per Share	16.9 HK cents	22.9 HK cents
Diluted Earnings per Share	16.9 HK cents	22.8 HK cents
Operating cash inflow	633	533
	As of 30 June 2026	**As of 31 December 2025**
Cash Resources[2]	5,093	4,462
Cash and Fixed Deposits Balance	4,826	4,351

[1] EBITDA means profit for the period plus the following to the extent deducted in calculating such profit for the period: finance costs, income tax, depreciation and amortisation.

[2] Cash resources include cash and cash equivalents, fixed deposits, current other financial assets (except for listed equity securities) and restricted bank deposits.

During 1H 2026, the Group's revenue increased by approximately 6% to HK$7,064 million. Profit for the period decreased by 14% to HK$145.0 million, primarily due to one-off gains/losses on other financial assets - equity securities. Excluding these one-off gains/losses, profit for the period would have been HK$182.7 million (1H 2025:

HK$139.3 million), representing a 31% increase over the corresponding period last year. The improvement was mainly driven by enhanced production and operational efficiency, continued optimisation of manufacturing costs, and improved receivables credit exposures.

The Group maintained a strong cash position and remained in a net cash position. As at 30 June 2026, total cash resources increased by HK$631 million to HK$5,093 million (31 December 2025: HK$4,462 million). Bank borrowings amounted to HK$321 million as at 30 June 2026 (31 December 2025: HK$308 million). Looking ahead, the Group remains committed to maintaining a healthy gearing ratio, supported primarily by operating cash flows.

During 1H 2026, competition in the automotive industry, particularly in the People's Republic of China (the "PRC") electric vehicle market, has intensified in terms of pricing, functionality and quality, exerting pressure on profitability across its entire automotive supply chain. At the same time, tariff disputes and local protectionism continued to impact end-market demand in the automotive sector.

Despite the numerous challenges encountered, the Group remained firmly committed to executing its long-term development strategy. The Group continued to invest in expanding existing plants in the PRC to accommodate growing customer orders, and continued in overseas expansion through establishing a new plant in Vietnam and strengthening localisation resources aboard, enabling the Group to better address the geo-political risks and the evolving needs of overseas customers. The Group sustained investments in R&D and marketing, consistently participate in the Consumer Electronics Show ("CES") in the U.S. to showcase its most advanced technological achievements.

Meanwhile, with the more stable operation of the Group's manufacturing facilities in Chengdu, China (the "Chengdu Plant"), its production efficiency and yield rate has improved, and with the measures in improving market expansion, quality enhancement and supply chain costs-optimisation, the Group remains committed to further enhancing our profitability. The Group has also successfully expanded into emerging scenarios such as robotaxis and low-altitude flight, creating a diversified revenue mix, and strengthened collaboration with overseas automakers and Tier-1 suppliers to secure more project opportunities, which will gradually increase its market share in overseas market going forward.

CHAIRMAN'S STATEMENT

The year 2026 marks the inauguration of China's "15th Five-Year Plan", as well as a pivotal milestone for the Group in advancing its strategic vision of "Beyond Displays and Beyond Automotive". Over the past six months, amidst an industry-wide transition toward electrification, intelligentisation and globalisation, market competition has decisively shifted from price-cutting to value creation underpinned by technological innovation and service excellence. Guided by our value-centric "5V Operational Roadmap" and empowered by BOE Group's robust technological foundation and industrial resources, we have reinforced our market leadership in automotive displays while expanding into broader automotive scenarios and industrial applications, driving sustained growth in both operational scale and customer base.

According to industry research, the Group has led the global automotive display market in both shipment volume and area for several consecutive years. Over the past six months, our premiumisation strategy has delivered remarkable results, underscored by strong growth in high-end product shipments. Most notably, our advanced OLED technology secured major project wins with mainstream overseas automakers, leveraging our technological edge to fortify a solid commercial moat across premium global markets.

Our global expansion has entered an accelerated harvesting phase, marked by premier German automaker projects entering mass production in Europe, revenue growth rebounding in North America and South Korea, and strong momentum across emerging markets such as India. Concurrently, our manufacturing footprint expanded as planned, highlighted by the successful product "power-on" at Vietnam plant and the topping out of Heyuan Phase III, thereby further maturing our global supply chain network supported by Heyuan, Chengdu and Vietnam. Advancing our strategic transition toward a system integrator, we have continued to optimize our customer portfolio. Beyond securing platform-level projects with top-tier domestic OEMs, we won major display assembly programs with leading overseas automakers. Meanwhile, our forward-looking project wins in emerging areas such as robotics displays underline early breakthroughs in our diversification strategy.

AI has been deeply integrated across our entire value chain, driving strategic transformation across manufacturing, products, and operations. AI cloud inspection in Chengdu Plant and human-machine collaborative production lines in Heyuan plant have significantly enhanced inspection precision and operational efficiency. Meanwhile, our HERO 2.0 smart cockpit debuted at CES early this year, integrates multimodal interaction, emotional perception, and other advanced AI capabilities, marking a pivotal transition from standalone displays to domain-controlled cockpits. By continuously fusing AI with cutting-edge display technologies, we have empowered core operational functions across code review in R&D, customer profiling, and end-to-end production quality control.

Looking ahead to the second half of the year, we will steadfastly advance our "Three Step" upgrade roadmap, transitioning from display components to integrated display systems, and ultimately to smart cockpit solutions, while deepening our "AI-Driven, Dual-Engine Drive" strategy. We will continue to step up R&D investment, expand the global supply chain and overseas delivery network, and pioneer the innovative business model of "Smart Cockpits as Compute-Monetisation". Through these initiatives, we are steadily advancing our strategic transition into a software-hardware integrated solution provider.

In pursuing our long-term vision, we remain committed to our strategic focus and execution resilience, confident that sustained investments will ultimately yield core capabilities to thrive through market cycles. On behalf of the Board, I would like to express my sincere gratitude to our management team for their dedication, to all employees for their hard work, and to our shareholders and partners for their unwavering trust and support. Moving forward, we will continue to drive resilient growth and sustainable operations, sharing our success and creating long-term value for all stakeholders.

Su Ning
Chairman

Hong Kong, 25 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Automotive Display Business

During 1H 2026, the global automotive market remained under pressure due to persistent geopolitical factors. According to China Association of Automobile Manufacturers ("CAAM"), the global automobile sales reached 15 million units, a decline of 4.4% compared with the same period of 2025. Domestic passenger vehicle sales totalled 13 million units, representing a decrease of 6% compared with the same period of 2025, primarily attributable to the phase-out of purchase tax incentives for new energy vehicles ("NEV") and weak domestic demand. In contrast to broader global volatility, the European market remained relatively stable, while emerging markets such as India and Vietnam demonstrated optimistic demand growth.

The Group's sales of Thin Film Transistor ("TFT") continue to grow, maintaining a strong competitive position in the market. While the sales volume of PSV recorded a modest increase, continuing to maintain number one market share in the market. During 1H 2026, the automotive display business recorded revenue of HK$6,640 million (1H 2025: HK$6,245 million), representing approximately 94% of the Group's total revenue.

During 1H 2026, the Group delivered steady growth in system and smart cockpit solution products, driven by the successful transition to mass production for several key projects, including ceiling-mounted screens, central control units, and instrument panels. Regarding overseas expansion, the Company entered into a Letter of Intent for a joint venture with an international partner, with subsequent operational planning actively underway. In terms of technology R&D, the Group continues to enhance its capabilities in AI-powered audio systems, digital broadcasting, and integrated smart cockpit solutions, executing a diversified growth strategy aimed at moving "Beyond Displays and Beyond Automotive".

Industrial Display Business

During 1H 2026, the industrial display business recorded revenue of HK$424 million (1H 2025: HK$426 million), representing approximately 6% of the Group's total revenue.

The Group will focus on energy infrastructure, industrial instrumentation, and professional HMI applications in Europe and North America, with a strong emphasis on securing Tier-1 and regional leading customers. It will expand mid-to-high-end projects through industrial-grade quality, reliable delivery, and local technical support. The Group will also enrich its ecosystem partnerships and key customer portfolio across vertical industries (energy, industrial control, medical, logistics, and commercial equipment), driving the transformation from a standalone display supplier to an integrated business model of "display + main control + software".

Production Capacity Enhancement

During 1H 2026, the Group's global production capacity layout advanced steadily. The main structure of the Heyuan Phase III facility has been structurally topped out, with mass production scheduled for year-end, greatly expanding annual manufacturing capacity and strengthening the Group's R&D and manufacturing capabilities in medium- and large-size automotive displays and innovative businesses. The Chengdu base saw a marked increase in average monthly output, with large-size production lines achieving a twofold increase in capacity and overall yield rate registering meaningful improvement. Key breakthroughs were also made in new technologies including curved and narrow-bezel displays. At the Vietnam base, mass production and delivery to Korean clients have achieved, with new small-size production lines and complete-vehicle assembly lines added, greatly raising the monthly module-and-system production capacity, thereby effectively enhancing the resilience of the overseas supply chain.

Quality and Supply Chain Management

During 1H 2026, the Group's Quality Control Committee made solid progress in implementing the “3C” benchmark management measures, achieving multiple breakthroughs in quality system development. Chengdu manufacturing base successively passed the TISAX AL3 certification and CNAS accreditation, with its test reports now mutually recognized by over 100 countries worldwide. The Heyuan manufacturing base has passed the system audit of a leading German automaker, obtaining its system access qualification. Its information security and cybersecurity management have been brought into full compliance with international standards.

Amid ongoing geopolitical tensions, rising prices of core components and metal materials, the Group adhered to its prudent strategy and further strengthened its supply chain resilience. Through established strategic partnerships with key suppliers, we effectively minimized cost fluctuations and mitigated disruption risks by proactively stockpiling core materials. Concurrently, the Group reduced its reliance on any single foreign source and enhanced its bargaining power through diversified supplier networks and centralized procurement. From a logistics perspective, sea, land, and air transportation were not significantly impacted as we worked in close collaboration with freight forwarders to ensure delivery continuity. Additionally, the Group synchronized its supply chain, manufacturing, and sales divisions to identify cost-reduction opportunities across spanning design, manufacturing processes, and procurement. Driven by this “Value Chain Victory” strategy, these cost-reduction and efficiency-optimisation initiatives are steadily restoring the Group’s profitability.

MARKET REVIEW

The PRC

During 1H 2026, China's auto market exhibited a pattern of domestic market pressure coupled with robust foreign trade. The production entered a phase of high base and low growth, with domestic sales experiencing negative growth. According to CAAM, domestic automobile sales in China reached 9.92 million units, representing a significant decrease of 21.1% compared with the same period of 2025. On the other hand, trade-in policies and local subsidies continued to be released, the promotion of new energy vehicles in rural areas positively stimulated consumption. Meanwhile, price wars are becoming more rational, with the number of models offering price reductions decreasing compared with the same period of 2025; and several mandatory national standards for automotive safety have been implemented since July 2026 which driving the industry shift from homogeneous price competition to value competition oriented towards core safety technologies and systematic capabilities.

During 1H 2026, revenue from the PRC market, based on customers' sourcing decisions was HK$4,087 million, a decrease of approximately 8% compared with the same period of 2025, accounting for approximately 58% of the Group's total revenue. The decline was mainly due to weak domestic demand and sluggish sales of low-end models, coupled with adjustments to the NEV purchase tax subsidy policy prompting a return to rationality in industry promotions. Market outlook is projected to improve, buoyed by the absorption of upcoming safety regulations and tax reforms, easing chip shortages, and a gradual recovery in consumer confidence.

Europe

During 1H 2026, the European automotive market experienced a modest recovery. According to data from the European Automobile Manufacturers' Association, total new car sales reached 5.82 million units in the first five months, representing an increase of 4.5% compared with the same period of 2025. NEV models served as the primary growth driver. The German market accelerated its transition toward electrification, driven by the entry of affordable electric models from Chinese brands with intensified competitive pressure on domestic manufacturers. Italy benefited from NEV subsidy policies, sustaining its electrification momentum. In the UK market, sales of both battery electric vehicles and plug-in hybrid electric vehicles recorded growth, leading to a steady increase in the NEV penetration rate. France also posted a modest uptick in new vehicle registrations.

During 1H 2026, the Group generated HK$1,641 million in revenue from the European display business, based on customers' sourcing decisions, representing an increase of approximately 36% compared with the same period of 2025 and contributing around 23% of total revenue. Taking advantage of TFT's cost and mass production advantages, the Group has deepened its direct supply cooperation with European car manufacturers. With the steady mass production and delivery of ongoing project orders, the Group's revenue contribution from Europe is expected to continue its upward trajectory.

America

According to data from MarkLines and the U.S. Bureau of Economic Analysis, U.S. auto sales for 1H 2026 totaled 7.9 million units, representing a decline of 2.6% compared with the same period of 2025. The overall U.S market faced intensified downward pressure, triggered by the expiration of electric vehicle subsidies under the Inflation Reduction Act in September 2025, alongside the ongoing impact of high fuel prices. In other countries across the Americas, the emphasis on protecting domestic industries has led to the implementation of policies such as import tariffs, local production requirements, and investment mandates. These policy measures are expected to temper the region's NEV adoption, with penetration rates projected to increase at a relatively slow pace.

The Group continued to enhance the application of its display products in vehicle data digitalisation scenarios and are expected to support future growth. The rollout of new vehicle models by customers, along with the growing demand for high-value semi-system products, drove a recovery in regional revenue. The Group strengthened cooperation with major Tier-1 partners, enhanced local sales capabilities in Middle America to improve responsiveness and speed up order acquisition, and proactively advanced localized assembly and procurement in markets such as Mexico to bolster regional competitiveness.

During 1H 2026, the America generated revenue of HK$602 million based on the customer’s sourcing decisions, representing an increase of approximately 85% compared with the same period of 2025 and accounting for approximately 9% of the Group’s total revenue.

Japan

According to Japan Automobile Manufacturers Association, cumulative auto sales in Japan for the first five month of 2026 reached 3 million units, representing a slightly increase of 1.6% compared with the same period of 2025. The penetration rate of electric vehicles rose steadily, supported by increased subsidies from the Tokyo Metropolitan Government and continuous policy backing for the electrification transition. Concurrently, NEV models exported from China to Japan recorded significant growth.

During 1H 2026, revenue generated from Japan, based on the customers’ sourcing decisions, amounted to HK$344 million, representing a decline of approximately 17% compared with the same period of 2025 and accounting for approximately 5% of the Group’s total revenue. The Group recorded a decline in sales to a major Japanese four-wheel vehicle customer, as the customer faced profitability pressures and reduced production, which in turn affected panel shipment momentum. Meanwhile, demand for small- and medium-sized panels from traditional vehicle models continued, and the Group successfully secured a new order from a well-known Japanese two-wheel vehicle customer, effectively mitigating the short-term pressure from the reduced production by the four-wheel vehicle customer.

Korea

During 1H 2026, NEV sales surpassed 50% of total new vehicle registrations for the first time. This milestone was propelled by proactive policy initiatives aimed at accelerating the transition within the Korean automotive market. The South Korean government allocated a total of KRW464.5 billion to support automotive sector development, with KRW382.7 billion specifically dedicated to the research and development of core technologies in autonomous driving, electric vehicles, and hydrogen-powered vehicles. Zero-Emission Vehicle sales mandates was effective from 2026 and introduced an "EV Conversion Subsidy" to incentivize consumers to replace internal combustion engine vehicles with electric ones. The government plans to establish an autonomous driving pilot city in Gwangju within 2026, with consecutive expansions aimed at commercializing Level 4 autonomous driving applications by 2027.

During 1H 2026, revenue generated from Korea based on customers' sourcing decision was HK$225 million, representing an increase of approximately 41% compared with the same period of 2025 and accounting for 3% of the Group's total revenue. Benefiting from favorable policy tailwinds and the transition of core vehicle models into mass production, the Group's market share among Korean automakers scaled up steadily.

TECHNOLOGY DEVELOPMENT

To capitalize on the strategic opportunities arising from the intelligentisation of vehicles and the realisation of all-scenario smart experiences, the Group continues to increase investment in research and development while comprehensively enhancing its independent innovation capabilities. In 1H 2026, the Group maintains a steady level of R&D investment, with R&D expenses continuing their upward trend and the size of the technical workforce further expanding. Compared to 2025, the Group has further strengthened its overall R&D prowess and talent reserves, thereby establishing a solid technological foundation and sustained innovation capability for future industry competition.

As autonomous driving and smart cockpits continue to evolve, the concept of the cockpit as a "third living space" has become increasingly distinct; automotive displays, serving as the most intuitive and immersive interactive interfaces, are emerging as the core medium for delivering intelligent experiences. The Group has long been dedicated to automotive display technology, driving industry upgrades—through continuous innovation—toward multi-size and multi-form-factor designs, as well as high resolution, high depth of field, low reflectivity, and multimodal interaction capabilities. Simultaneously, through integrated system design, we comprehensively enhance our display products in terms of visuals, safety, and human-machine interaction, propelling the evolution of the in-vehicle space toward greater intelligence, comfort, and aesthetic appeal.

Panoramic Head-up Display ("PHUD")

PHUD is an advanced in-vehicle head-up display technology. This panoramic head-up display utilizes optical technology to project critical information—such as navigation, vehicle speed, oil pressure, and tire pressure—in color onto the windshield directly within the driver's line of sight. Beyond minimizing the time drivers must look away from the road, it delivers a seamless, A-pillar to A-pillar experience by integrating multiple interconnected screens concealed beneath the dashboard, thereby further enhancing the driving experience. Currently, our PHUD products are being showcased at international exhibitions and in demonstrations for major automakers, and they have already been implemented in the latest mass-produced vehicles.

UB Cell (ADS PRO)

UB Cell, a premium TV display technology solution, it integrates the cutting-edge breakthroughs of ADS Pro advanced LCD technology, ultra-high color gamut and no color shift at all viewing angles, coupled with an ultra-high ambient light contrast ratio of 2600:1 and an ultra-low panel reflectivity of 0.7%, bringing ultimate picture quality comparable to OLED, constantly setting new benchmarks for "perfect picture quality".

At CES 2026, a 15.6-inch automotive-grade UB Cell display was showcased, with a native contrast ratio of 2500:1 (compared to a typical display contrast ratio of 1500:1). When equipped with MINI LED backlighting, UB Cell can effectively help reduce Halo Effect and give the car cabin picture quality comparable to OLED.

Under Display Camera ("UDC")

Traditionally, Driver Monitoring System's camera is conspicuously mounted on screen notch location or A-pillar. In contrast, UDC technology conceals the camera behind the LCD screen. By utilizing a custom LCD panel, backlight components with high infrared (IR) transmittance, and image enhancement compensation, this technology completely eliminates screen cutouts or notches, delivering a stunning, truly full-screen visual experience.

Automotive-grade UDC technology—featuring an LCD module with 18% infrared transmittance was showcased at CES 2026, offering a cutting-edge visual solution for in-vehicle multimodal interaction.

F-OLED

F-OLED represents a high-end flexible organic light-emitting diode ("OLED") technology solution. It boasts industry-leading advantages—such as brilliant colors, versatile form factors, and high levels of integration—delivering an immersive, stylish experience to users anytime, anywhere. Several automotive F-OLED displays have already entered mass production. Additionally, the Group is currently co-developing transparent OLED display solutions with global luxury automotive brands. Furthermore, we are developing Tandem OLED—a new type of OLED formed by electrically connecting multiple organic light-emitting (EL) units in series within the device using a special internal interconnection layer which enables the simultaneous achievement of high efficiency and long lifespan.

HERO Smart Cockpit Solution

At the CES in January 2026, the Group fully integrated AI technology into its product innovation ecosystem, significantly increasing the proportion of products featuring hardware-software integration. Through multimodal interaction and scenario-based innovation, the Group drove a comprehensive upgrade in the smart cockpit experience. The Group debuted the HERO 2.0 smart cockpit solution and a series of revolutionary new products worldwide; these systems integrate multimodal intelligent interaction modes—such as touch, voice, and mid-air gestures—and utilize a groundbreaking "domain-controlled cockpit" concept to enable vehicle-to-home and vehicle-to-commerce connectivity. This extends the smart cockpit experience beyond the vehicle interior into broader living spaces, achieving deep integration among people, vehicles, and domains. Since first introducing the HERO initiative in 2023, the Group has continuously advanced scenario innovation and market application across four key areas: Healthiness, Entertainment, Relaxation, and Office.

AI+ Innovative Applications

In terms of innovative applications and technological R&D, the Group continues to advance the commercialisation for cutting-edge technologies in areas such as switchable privacy displays, 3D displays, dual-view dual-touch, and light field display technologies, with several projects expected to enter mass production soon. BVP image quality enhancement and Camera Monitor Systems have achieved breakthroughs, passing automotive-grade tests in image processing algorithms, controller performance, and reliability, and are now expanding into both passenger and commercial vehicle mirror markets.

Under the trend of "AI+Everything", the Group is deeply integrating its core technological capabilities with diverse scenario resources to develop cross-domain solutions that extend the reach of intelligent experiences. For example, in the smart pet care field, the Group launched the world's first smart ecosystem tank, merging ecological aesthetics with smart technology to make pet care simpler, smarter and safer. In the smart cycling field, AI-powered glasses integrate high-definition cameras, optical image stabilisation, anti-glare features, and dual Bluetooth earbuds, significantly enhancing both safety and entertainment during daily commutes and rides. In the smart home field, products such as the V+ smart calendar and wood-grain display touch cover deeply fuse display technology with home design aesthetics, embedding displays into everyday life.

Looking forward, the Group will remain focused on its “Beyond Displays” strategy, deepening AI-driven technological integration and expanding the HERO value ecosystem across “Healthiness, Entertainment, Relaxation and Office” scenarios. Through high-end innovation and intelligent solutions, we aim to accelerate the realisation of the HERO vision. By fostering a co-creation ecosystem with global partners, we are pioneering a new era of human-vehicle integration and full-scenario intelligent connectivity.

STRATEGIC DEVELOPMENT PLAN

The Group continued to advance its “three-step strategy”, strengthening its leadership in vehicle displays, expanding its automotive display system portfolio, and accelerating the transition toward intelligent cockpit solutions.

Leveraging BOE Group’s technological strengths, we maintained our leading position in high-end and large-sized automotive displays while increasing market share in next-generation LTPS, OLED and MLED products.

In system and intelligent-cockpit solutions, we intensified R&D investment to drive our transformation from a traditional display manufacturer into a smart-cockpit technology enterprise.

We promoted industry-standard development around HERO scenarios and AI-enabled cockpit solutions, with our technologies becoming the first group standard for integrated cockpit displays in China and expected to exert broader and long-term influence in the industry.

Beyond its automotive display business, the Group adheres to the “AI-Driven, Dual-Engine Drive” strategy, advancing its product offerings from standalone display components to integrated smart solutions encompassing “Display + Interaction + AI Algorithms”.

Successfully incubated the brand InnoYolo targeting the consumer market. Centered on the concepts of “emotional value” and “high-value experience”, it has launched multiple innovative products. Additionally, the Group is deepening collaborative innovation with the BOE Group, focusing on cutting-edge technology development and scenario-based innovation, accelerating the integration of AI into its smart manufacturing systems, and expediting the translation of innovation outcomes into global deployment.

Expanding into overseas markets remains the Group’s core strategic priorities. We will continue to actively engage in major global exhibitions to deepen our trajectory toward internationalisation, specialisation, market-oriented growth, and globalisation. This will accelerate our strategic leap from 'going global' to 'becoming deeply integrated' into local ecosystems. Furthermore, we will deepen strategic collaborations with leading Tier-1 suppliers and international automakers. Through joint R&D, scenario co-creation, prototype testing, and platform implementation, we aim to unlock new application scenarios. Ultimately, we will continuously enhance our integrated overseas capabilities across R&D, production, and sales to strengthen our global competitiveness.

Regarding strategic alignment with the parent company, the synergy between the Group and the BOE Group has further deepened. Aligning with BOE's dual-engine framework of "technology + brand" and its vision for the "Nth Curve", the Group will mobilize higher-level strategic resources to foster closer collaboration in technological R&D, industrial ecosystems, and brand development.

As the sole business platform for automotive display modules and systems under BOE Group, the Group will play a leading role in the industry-wide evolution of automotive displays from mere "screens" into "intelligent interactive carriers", thereby accelerating the continuous expansion of the Group's overall strategic footprint.

BUSINESS OUTLOOK

Looking ahead to the next decade, we presence two unique core competitive advantages that are difficult to replicate. First, we have established an irreplaceable industrial ecosystem, built upon a deep foundation of real-world industry data and operational expertise in automotive displays and industrial manufacturing. Second, we remain committed to avoiding red-ocean competition, building a differentiated moat through a sharp focus on automotive and pan-industrial vertical scenarios, where our deep understanding of customer needs and application contexts enables us to deliver high-value-added, customized services.

Looking forward, we will remain steadfast in our strategic direction of "AI-Driven, Dual-Engine Drive". With AI technology as our core pillar, we will deeply leverage the infinite possibilities within both automotive and non-automotive scenarios, thereby driving the continuous expansion of our business boundaries and the enhancement of our value creation capabilities

The Group will always adhere to a prudent operating philosophy, a clear strategic path, and a trajectory of certain growth, continuously creating sustainable, high-quality, and long-term value returns for all investors and shareholders.

FINANCIAL REVIEW

Revenue

During 1H 2026, the revenue of the Group amounted to HK$7,064 million, representing a 6% increase compared with the same period in 2025. This growth was primarily fueled by increased sales of our TFT products, touch panel display modules, and automotive system products, driven by rising demand from our major customers in Europe and America.

Other Operating Income

During 1H 2026, the other operating income amounted to HK$57 million, representing a 66% decrease compared with the same period in 2025. This decrease was mainly due to one-off gains/losses on other financial assets - equity securities.

Raw Materials and Consumables Used and Change in Inventories of Finished Goods and Work in Progress

During 1H 2026, the total amount of raw materials and consumables used and change in inventories of finished goods and work in progress were HK$5,788 million, representing a 6% increase compared with the same period in 2025. The increase was in line with the increase in revenue.

Staff Costs

During 1H 2026, the staff cost amounted to HK$637 million, representing a 5% decrease compared with the same period in 2025. This decrease was primarily attributable to enhanced operational efficiency and workforce optimisation initiatives.

Depreciation

During 1H 2026, the depreciation amounted to HK$132 million, representing a slight decrease of 2% compared with the same period in 2025.

Other Operating Expenses

During 1H 2026, the other operating expenses amounted to HK$385 million, representing a 6% increase compared with the same period in 2025. This increase was due to an increase in subcontracting fee for research and development, trademark license fees and sales, marketing and commission and quality assurance expenses which outweighed the reversal of expected credit losses allowance on trade receivables.

Finance Costs

During 1H 2026, the finance costs amounted to HK$5 million, representing a 18% decrease compared with the same period in 2025. The decrease was due to the reduction in average bank loan balance.

Income Tax

Income tax expenses of the Group were calculated based on the assessable profits of the subsidiaries at the rates prevailing in the relevant jurisdictions. During 1H 2026, income tax expense amounted to HK$30 million, representing a 13% increase compared with the corresponding period in 2025. The higher effective tax rate in 1H 2026 was mainly attributable to non-taxable gains/non-deductible losses on other financial assets – equity securities.

Profit Attributable to Equity Shareholders of the Company

During 1H 2026, the profit attributable to equity shareholders amounted to HK$133 million, representing a 26% decrease compared with the same period in 2025. The decrease was mainly due to unrealised loss on other financial assets.

During 1H 2026, the Group invested HK$206 million on research and development ("R&D") activities, an increase of 36% compared with the same period in 2025. It represented approximately 3% of the Group's revenue. The proportion of R&D expenses to revenue remains stable.

Dividend

The board (the "Board") of directors (the "Directors") of the Company has resolved not to declare an interim dividend for 1H 2026 (1H 2025: Nil).

The Board has adopted a dividend policy on 1 January 2019 (the "Dividend Policy"). Under the Dividend Policy, subject to compliance with applicable laws, rules and regulations and the bye-laws of the Company, the Company intends to maintain a stable dividend policy in future with a dividend payout ratio of not less than 30%. However, the determination to pay dividends in the future will be made at the discretion of the Board and will be based on the profits, cash flows, financial condition, capital requirements and other conditions that the Board deems relevant. The payment of dividends may be limited by legal restrictions and agreements that the Company may enter into in the future.

The Dividend Policy will continue to be reviewed from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period.

Liquidity and Financial Resources

The Group has always emphasized financial discipline and continues to maintain a strong liquidity position. Cash flows generated from/(used in) our operating, investing and financing activities, are as below:

	For the six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Net cash generated from operating activities	**633**	533
Net cash generated from/(used in) investing activities	**212**	(469)
Net cash (used in)/generated from financing activities	**(20)**	33

Operating Activities

Cash inflow from operating activities was mainly generated from cash receipts from the Group's sales. Cash outflows were related to raw materials purchases, staff costs, expenses incurred in research and development, administrative items and taxation charges. As at 30 June 2026, debtor turnover days were 66 days (31 December 2025: 62 days), it was mainly due to increase in sales to new customers with long credit term. As at 30 June 2026, inventory turnover days were 59 days (31 December 2025: 52 days). The increase was due to strategic raw material inventory.

Investing Activities

In 1H 2026, net cash generated from investing activities was HK$212 million (1H 2025: net cash used in investing activities was HK$469 million). It mainly represented for the purchase of property, plant and equipment of HK$191 million (1H 2025: HK$84 million), net proceed of HK$273 million from disposal of other financial asset, fixed deposits and restricted bank deposits (1H 2025: net payment of HK$415 million), receipt of government grant of HK$93 million (1H 2025: Nil).

Financing Activities

In 1H 2026, net cash used in financing activities was HK$20 million (1H 2025: net cash generated from financing activities was HK$33 million). The decline was due to the reduced bank loan drawdown.

Cash Resources

At as 30 June 2026, the cash resources were HK$5,093 million (31 December 2025: HK$4,462 million) of which HK$4,057 (31 December 2025: HK$3,191 million) was cash and cash equivalents, HK$769 million (31 December 2025: HK$1,159 million) was in fixed deposits with more than three months to maturity when placed, no current other financial assets (except for listed equity securities) (31 December 2025: HK$17 million), and HK$267 million (31 December 2025: HK$94 million) was in restricted bank deposits.

The cash and cash equivalents are denominated in:

	As at 30 June 2026	As at 31 December 2025
Original currency	**HK$ million**	HK$ million
— RMB	**2,325**	1,224
— USD	**1,666**	1,935
— HK$	**19**	13
— Other currencies	**47**	19
	4,057	3,191

Gearing Ratio and Indebtedness

As at 30 June 2026, the Group's gearing ratio, defined as bank borrowings divided by net assets, was approximately 6.4% (31 December 2025: 6.3%). The slight increase in gearing ratio was mainly due to increase in bank borrowings.

As at 30 June 2026, the Group had bank borrowings balance of HK$321 million (31 December 2025: HK$308 million). The short-term and long-term bank borrowings were HK$76 million (31 December 2025: HK$64 million) and HK$245 million (31 December 2025: HK$244 million) respectively.

Financial Guarantees and Charge on Assets

At as 30 June 2026, bank borrowings amounted to HK$196 million (31 December 2025: HK$193 million) were secured by certain land, buildings, machinery and equipment of a subsidiary of the Group to match its long-term development.

Save as disclosed as above, the Group had no other financial guarantees and charge on assets as at 30 June 2026 (31 December 2025: Nil).

Contingent liabilities

As at 30 June 2026, the Company had no material contingent liabilities (31 December 2025: Nil).

Commitments

The capital commitments outstanding at 30 June 2026 not provided in the Group's financial statements were approximately HK$223 million (31 December 2025: HK$262 million), mainly representing the acquisition cost of plant, machinery, tools and equipment not provided for in the financial statements. The above will be financed by internal resources of the Group and/or external financing.

Other Investments

As at 30 June 2026, the Group owned a diversified investment portfolio, such as equity investments in securities related to the automotive industries. The results of the investments have been properly reflected in the unaudited financial statements.

Foreign Currency and Interest Rate Exposure

The Group is exposed to foreign currency risk primarily through sales and purchases that are with an original currency other than the functional currency of the operations. The currencies giving rise to this risk are primarily United States dollars, Euros, Japanese Yen and Renminbi.

The Group primarily hedges its foreign currency exposure by its operation and is not engaged in the use of any financial instruments for hedging purposes. However, the management monitors foreign exchange exposure from time to time and will consider hedging significant foreign currency exposure when the need arises.

As at 30 June 2026, the bank borrowings of the Group are subject to fixed and floating interest rate amounted to HK$58 million and HK$263 million (31 December 2025: the bank borrowings of the Group subjected to floating interest rate amounted to HK$308 million). The Group will monitor interest rate movements and consider appropriate measures when arranging bank borrowings with floating rates.

Staff

As at 30 June 2026, the Group employed 7,445 staff (excluding temporary staff) worldwide, of whom 123 were in Hong Kong, 7,107 were in the Chinese Mainland and 215 were in overseas.

The Group remunerates its employees (including directors) based on their performance, experience and prevailing industry practice. The Group operates a share award plan, provides rent-free quarters to certain of its employees in Hong Kong and the Chinese Mainland and other fringe benefit to employees. The fringe benefit includes maternity leave, paternity leave, paid leave and etc.

The Group adopts a performance-based remuneration policy. Salary adjustments and performance bonuses are based on the evaluation of job performance. The aim is to create an atmosphere that encourages top performers and provides incentives for overall employees to improve and excel.

The Group always keeps pace with the times and strives to improve human resources efficiency and corporate governance capabilities, arrange sufficient human resources, provides different training and development programmes to attract, motivate and retain talented staff.

Staff Retirement Schemes

In Hong Kong, the Group principally participates in the Mandatory Provident Fund ("MPF") Scheme operated by independent trustees. Contribution at a fixed rate of 5% of the employee's relevant income (the "Relevant Income"), subject to a cap of monthly Relevant Income of HK$30,000 per employee, are made to the scheme and are vested immediately.

In addition, the Group also operates a Top-Up ORSO scheme, approved by the Inland Revenue Department under Section 87A of the Inland Revenue Ordinance, and both the employer and the employee are required to contribute 5% of the excess of the Relevant Income to the scheme. It is only eligible for employees who joined the Group on or before 30 June 2009.

With effect from 1 December 2019, the Top-Up ORSO scheme is ceased and instead, the Top-Up contributions is made to the MPF scheme.

The Group has also complied with all relevant laws, regulations and local policies in Hong Kong in relation to staff retirement matters.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in central pension schemes operated by the local municipal government. The subsidiaries are required to contribute certain percentage of the payroll costs to the central pension schemes. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the central pension schemes.

During 1H 2026, the total retirement scheme cost charged to the Consolidated Statement of Profit or Loss was HK$48 million (1H 2025: HK$43 million). Charges to administer the scheme are deducted from the employer's contributions. Forfeited contributions are used by the employer to offset against future contributions. The utilised amount in 1H 2026 was Nil (1H 2025: Nil) and at 30 June 2026, the balance available to reduce the level of contributions in future amounted to Nil (31 December 2025: Nil).

The Group has also implemented retirement schemes for all employees of overseas offices in accordance with relevant national laws, regulations and local policies.

SUSTAINABILITY

Sustainable development continues to serve as a key pillar of the Group's growth. We have established and implemented the "Dual Carbon Management System", the "Greenhouse Gas Emissions Accounting and Reporting System", and the "Product Carbon Footprint Accounting Management System". On an annual basis, we quantify and evaluate organisation-level greenhouse gas emissions and typical product carbon footprints to guide low-carbon decision plan. Anchored by our targets to achieve carbon peaking by 2030 and carbon neutrality by 2050, we continuously advance along the path of green and low-carbon development. National Energy Conservation Awareness Week held from 15 to 21 June 2026, with the theme "A New Starting Point for Energy Conservation, A Low-Carbon Future". 17 June 2026 is also National Low-Carbon Day. BOEVx deeply aligns with the BOE Group's ONE (Open Next Earth) sustainable development brand strategy, adheres to the corporate mission of "Empowering Better Mobility with Displays" and actively responds to global climate change through technological innovation and green operations.

In May 2026, the internationally recognized SGS conducted a recertification audit of the ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System at Chengdu Plant. The recertification of the system further confirms the effective operation of the ISO 14001 system, the ESG implementation standard for the upstream production process. This means that the environmental risk control and resource recycling mechanisms throughout the entire production process continue to comply with international standards.

The Company has officially passed the TISAX AL3 highest level assessment label certification, which signifies that the Company has reached the top level in the automotive industry in the field of information security management. Previously, the Company had obtained the TISAX AL2 (basic protection) assessment label prior to 2026. The newly achieved AL3 assessment label represents the very high protection level, featuring a broader assessment scope and more stringent requirements that encompass advanced technical security measures, supplier relationship management, and more rigorous incident management processes.

Consolidated statement of profit or loss

For the six months ended 30 June 2026 – unaudited

	Notes	**Six months ended 30 June** **2026** **HK$'000**	2025 HK$'000
Revenue	5	**7,063,639**	6,670,596
Other operating income, net	6	**56,810**	168,557
Change in inventories of finished goods and work in progress		**111,945**	99,890
Raw materials and consumables used		**(5,899,677)**	(5,572,407)
Staff costs		**(636,531)**	(668,871)
Depreciation		**(132,075)**	(134,760)
Other operating expenses	7(c)	**(385,014)**	(361,752)
Profit from operations		**179,097**	201,253
Finance costs	7(a)	**(4,565)**	(5,567)
Profit before taxation	7	**174,532**	195,686
Income tax	8	**(29,537)**	(26,140)
Profit for the period		**144,995**	169,546
Profit attributable to:			
Equity shareholders of the Company		**132,739**	180,476
Non-controlling interests		**12,256**	(10,930)
		144,995	169,546
Earnings per share for profit attributable to equity shareholders of the Company (in HK cents)	10		
Basic		**16.9 cents**	22.9 cents
Diluted		**16.9 cents**	22.8 cents

Consolidated statement of profit or loss and other comprehensive income

For the six months ended 30 June 2026 – unaudited

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Profit for the period	**144,995**	169,546
Other comprehensive income for the period (after tax and reclassification adjustments):		
Item that may be reclassified subsequently to profit or loss:		
- Exchange translation adjustments: net movement in exchange reserve	**114,906**	75,745
Total comprehensive income for the period	**259,901**	245,291
Attributable to:		
Equity shareholders of the Company	**244,796**	255,274
Non-controlling interests	**15,105**	(9,983)
	259,901	245,291

Consolidated statement of financial position

At 30 June 2026 – unaudited

	Notes	**At 30 June 2026**	At 31 December 2025
		HK$'000	HK$'000
Non-current assets			
Property, plant and equipment		**2,457,096**	2,306,033
Interest in an associate		**1,880**	-
Intangible assets		**57,020**	52,826
Other financial assets		**1**	1,900
Non-current deposits, prepayments and other contract costs		**141,617**	145,673
Deferred tax assets		**71,179**	60,586
		2,728,793	2,567,018
Current assets			
Inventories		**2,262,544**	1,878,366
Trade and other receivables, deposits, prepayments and other contract costs	11	**3,362,798**	3,380,659
Other financial assets		**34,536**	89,946
Current tax recoverable		**9,244**	10,200
Fixed deposits with more than three months to maturity when placed		**769,368**	1,159,258
Restricted bank deposits		**266,523**	94,456
Cash and cash equivalents		**4,056,834**	3,191,434
		10,761,847	9,804,319
Current liabilities			
Trade and other payables	12	**7,655,623**	6,902,089
Lease liabilities		**15,389**	13,901
Current tax payable		**9,093**	2,538
Bank loans		**75,681**	63,966
Deferred income		**56,558**	36,022
Dividends payable	9	**119,876**	-
		7,932,220	7,018,516

Consolidated statement of financial position *(continued)*

At 30 June 2026 – unaudited

	At 30 June 2026 HK$'000	At 31 December 2025 HK$'000
Net current assets	**2,829,627**	2,785,803
Total assets less current liabilities	**5,558,420**	5,352,821
Non-current liabilities		
Lease liabilities	**12,356**	14,725
Deferred tax liabilities	**490**	2,112
Deferred income	**276,415**	219,456
Bank loans	**245,088**	244,516
	534,349	480,809
NET ASSETS	**5,024,071**	4,872,012
CAPITAL AND RESERVES		
Share capital	**197,894**	197,894
Reserves	**4,730,707**	4,611,176
Total equity attributable to equity shareholders of the Company	**4,928,601**	4,809,070
Non-controlling interests	**95,470**	62,942
TOTAL EQUITY	**5,024,071**	4,872,012

Notes:

1. General

The Company is incorporated in Bermuda under the Companies Act 1981 of Bermuda as an exempted company with limited liability. The Company is a public limited company with its shares listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Directors consider the ultimate controlling party of the Group to be BOE Technology Group Co., Ltd, which is incorporated in the People's Republic of China ("PRC"). The addresses of the registered office and principal place of business of the Company are Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda and Units A-F, 35/F., Legend Tower, No.7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong respectively.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated.

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the automotive and industrial display business and has monochrome display manufacturing capacity and TFT module assembly capacity.

2. Independent review

The interim financial results set out in this announcement do not constitute the Group's interim financial report for the six months ended 30 June 2026 but are extracted from that interim financial report.

The interim financial report is unaudited and has been reviewed by the auditor of the Company, KPMG in accordance with Hong Kong Standard on Review Engagement 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). KPMG's independent review report to the Board is included in the interim financial report to be sent to the shareholders of the Company. In addition, this interim financial report has been reviewed by the Company's audit committee.

3. Basis of preparation

The interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the HKICPA. It was authorised for issuance on 25 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements.

4. Changes in accounting standards and its application

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7*, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

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

Amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*

The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.

The Group has applied the amendments retrospectively. As permitted by the transition requirements, the Group has not restated prior periods. The application of the exception does not have a material impact on the Group's consolidated financial statements for the periods presented.

5. Revenue and segment reporting

The principal activity of the Company is investment holding. The principal activities of the Group are the design, manufacture and sale of liquid crystal displays and related products. The Group is principally engaged in the automotive and industrial display business and has monochrome display manufacturing capacity and TFT and touch panel display module assembly capacity.

(a) Operating segment results

The Group manages its business as a single unit and, accordingly, the design, manufacture and sale of liquid crystal displays and related products is the only reporting segment and virtually all of the revenue and operating profits are derived from this business segment. The interim financial report has already been presented in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. Accordingly, no separate business segment information is disclosed.

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined that a single operating segment exists based on this internal reporting.

The Board assesses the performance of the operating segments based on revenue which is consistent with that in the interim financial report. Other information, being the total assets excluding deferred tax assets, other financial assets and current tax recoverable, all of which are managed on a central basis, are provided to the Board to assess the performance of the operating segment.

(b) Geographic information

The following tables set out information about the geographical location of (i) the Group's revenues from external customers and (ii) the Group's property, plant and equipment and intangible assets ("specified non-current assets"). The geographical location is based on the location at which the sourcing decision of a customers was made. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of operation to which they are allocated, in the case of intangible assets.

(i) Group's revenue from external customers

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
The PRC	**4,086,749**	4,448,176
Europe	**1,641,059**	1,208,630
America	**602,075**	325,251
Japan	**344,166**	412,530
Korea	**224,721**	159,576
Others	**164,869**	116,433
	2,976,890	2,222,420
Consolidated revenue	**7,063,639**	6,670,596

(ii) Group's specified non-current assets

	At 30 June 2026 HK$'000	At 31 December 2025 HK$'000
Property, plant and equipment and intangible assets		
The PRC (place of domicile)	**2,305,279**	2,345,689
Others	**208,837**	13,170
	2,514,116	2,358,859

6. Other operating income, net

	Six months ended 30 June	
	2026 HK$'000	2025 HK$'000
Interest income from deposits with banks	**42,550**	52,005
Government grants (note)	**46,975**	59,658
Net realised and unrealised (losses)/gains on other financial assets - equity securities	**(37,728)**	30,250
Net gain on current other financial assets measured at fair value through profit or loss	**7,254**	7,336
Net gain on disposal of property, plant and equipment	**50**	1,455
Net exchange (loss)/gain	**(6,476)**	9,244
Other income	**4,185**	8,609
	56,810	168,557

Note: The amount represents the incentives granted by the government to the Group for engaging in research and development of high technology manufacturing and other subsidies of HK$2,149,000 (2025: HK$2,831,000), amortisation of government grants received in relation to acquisitions of machineries of HK$26,562,000 (2025: HK$11,963,000), incentive related to production of HK$17,164,000 (2025: HK$43,762,000), and incentives granted in relation to staff retention of HK$1,100,000 (2025: HK$1,102,000). There are no unfulfilled conditions attached to these government grants.

7. Profit before taxation

Profit before taxation is arrived at after charging:

		Six months ended 30 June	
		2026	2025
		HK$'000	HK$'000
(a)	***Finance costs***		
	Interest on lease liabilities	**587**	743
	Interest on bank borrowings	**3,978**	4,824
		4,565	5,567
(b)	***Other items***		
	Cost of inventories	**6,318,483**	6,100,343
(c)	***Other operating expenses***		
	Amortisation of intangible assets	**3,875**	2,412
	Auditors' remuneration		
	- Audit services	**1,656**	1,683
	- Review services	**450**	450
	- Tax and other services	**39**	69
	Bank charges	**5,917**	5,392
	Building management fees	**4,784**	4,481
	Factory consumables, cleaning and security service expenses	**26,545**	24,162
	Freight charges	**61,791**	49,376
	Insurance expenses	**6,596**	3,937
	Legal and professional fees	**7,011**	6,716
	Office expenses	**6,278**	6,014
	Other taxes, surcharge and duties	**17,902**	18,414
	(Reversal)/provision of expected credit losses allowance on trade receivables	**(12,533)**	44,646
	Repair and maintenance	**17,793**	15,910
	Sales, marketing, commission and quality assurance expenses	**89,003**	63,626
	Subcontracting fees	**54,300**	32,989
	Trademark licence fees	**20,713**	12,353
	Travelling and entertainment expenses	**19,990**	18,802
	Utilities expenses	**43,353**	41,104
	Miscellaneous expenses	**9,551**	9,216
		385,014	361,752

8. Income tax in the consolidated statement of profit or loss

Taxation in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Current tax	**39,426**	26,270
Deferred tax	**(9,889)**	(130)
	29,537	26,140

(i) Hong Kong Profits Tax

The Group's operations in Hong Kong are subject to Hong Kong Profits Tax at a rate of 16.5%.

(ii) Income Taxes in other jurisdictions

The standard Corporate Income Tax rate applicable to the Group's operations in Chinese Mainland is 25% (2025: 25%). Certain PRC subsidiaries were officially endorsed as High and New Technology Enterprises ("HNTE"). Pursuant to the EIT Law, those PRC subsidiaries endorsed as HNTE shall be entitled to a preferential tax rate of 15% till the expiry of the HNTE status for the respective PRC subsidiaries.

Withholding tax is levied on dividend distributions arising from profits of the Chinese Mainland entities of the Group earned after 1 January 2008 based on an applicable tax rate at 5%.

Taxation for subsidiaries of the Group operating outside Hong Kong and the Chinese Mainland is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

(iii) Pillar Two income tax

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

From 1 January 2025, the ultimate parent company, BOE Technology Group Co., Ltd (the "BOE Technology Group"), is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

Based on the Group's current assessment and quantification, the exposure would not be material.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

9. Dividends

(a) Dividends payable to equity shareholders of the Company attributable to the interim period

The Board of Director does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period

	Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Final dividend in respect of the previous financial year, approved during the following interim period, of 15.3 HK cents (2025: 17.0 HK cents) per share	**119,876**	134,095

The final dividend has been recognised as dividend payable in the consolidated statement of financial position as at 30 June 2026.

10. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the consolidated profit attributable to ordinary equity shareholders of the Company of HK$132,739,000 (six months ended 30 June 2025: HK$180,476,000) and the weighted average of 783,223,096 ordinary shares (six months ended 30 June 2025: 787,908,082 ordinary shares) in issue during interim period.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the consolidated profit attributable to equity shareholders of the Company of HK$132,739,000 (six months ended 30 June 2025: HK$180,476,000) and the weighted average of 784,959,657 ordinary shares (six months ended 30 June 2025: 790,141,752 ordinary shares) in issue during interim period.

11. Trade and other receivables, deposits, prepayments and other contract costs

As at the end of the reporting period, the aging analysis of trade debtors and bills receivable (which are included in trade and other receivables, deposits and prepayments and other contract costs), based on invoice date and net of expected credit loss allowance of HK$69,927,000 (31 December 2025: HK$82,460,000) is as follows:

	At 30 June 2026 HK$'000	At 31 December 2025 HK$'000
Within 60 days of the invoice issue date	**2,471,723**	2,359,906
61 to 90 days after the invoice issue date	**295,243**	218,166
91 to 120 days after the invoice issue date	**73,728**	124,467
More than 120 days but less than 12 months after the invoice issue date	**115,216**	270,484
	2,955,910	2,973,023

Trade debtors and bills receivable are generally due within 60 to 120 days from the date of billing.

12. Trade and other payables

As at the end of the reporting period, the aging analysis of trade and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

	At 30 June 2026 HK$'000	At 31 December 2025 HK$'000
Within 60 days of supplier invoice date	**5,901,427**	5,080,489
61 to 120 days after supplier invoice date	**423,944**	680,312
More than 120 days but within 12 months after supplier invoice date	**115,232**	154,303
More than 12 months after supplier invoice date	**78,351**	51,296
	6,518,954	5,966,400

13. Commitments

Capital commitments outstanding at the end of the reporting period not provided for in the Group's financial statements were as follows:

	At 30 June 2026 HK$'000	At 31 December 2025 HK$'000
Contracted for	**222,950**	262,137

INTERIM DIVIDEND

The Group has no change in its dividend policy.

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

IMPORTANT EVENT AFTER THE PERIOD ENDED 30 JUNE 2026

The Group had no material events for disclosure subsequent to 30 June 2026 and up to the date of this announcement.

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities (including sale of treasury shares)

As at 30 June 2026, total number of the shares of the Company held by the trustee is 8,074,700 (as at 30 June 2025: 2,779,700).

During the period ended 30 June 2026, the trustee of the Company's share award plan (adopted on 28 August 2020) (the "Share Award Plan") purchased 1,658,000 shares of the Company (representing 0.21%* of the issued share capital of the Company) on the Stock Exchange at a total consideration of approximately HK$7,296,000 (including purchase price of HK$7,282,000 and transaction costs of HK$14,000). Total accumulated number of shares of the Company purchased is 22,014,000 (representing 2.78%* of the issued share capital of the Company) under the Share Award Plan.

From 1 July 2026 to 25 August 2026 as the date of this announcement, the trustee purchased 3,200,000 shares of the Company (representing 0.40%* of the issued share capital of the Company) on the Stock Exchange at a total consideration of approximately HK$12,993,000 (including purchase price of HK$12,967,000 and transaction costs of HK$26,000). Total accumulated number of shares of the Company purchased were 25,214,000 (representing 3.19%* of the issued share capital of the Company). During the blackout period (25 July 2026 to 25 August 2026) of the Company, it must not deal any shares of the Company.

For the period ended 30 June 2026, there is no awarded share granted, considered share purchased and lapsed shares, the total number of awarded shares that can be granted was 7,184,300 (representing 0.91%* of the issued share capital of the Company) calculated based on the accumulated 25,214,000 shares of the Company purchased in so far. The remaining shares that could be granted were 58,687,820 (representing 7.41%* of the issued share capital of the Company) calculated based on the maximum number of awarded shares that can be granted at the adoption date (excluding treasury shares).

From 1 July 2026 to 25 August 2026 as the date of this announcement, there is no awarded share granted, considered shares purchased and lapsed shares, the total number of awarded shares that can be granted were 10,387,600 (representing 1.31%* of the issued share capital of the Company) calculated based on the accumulated 25,214,000 shares of the Company purchased in so far. The remaining shares that could be granted were 58,691,120 (representing 7.41%* of the issued share capital of the Company) calculated based on the maximum number of awarded shares that can be granted at the adoption date (excluding treasury shares).

Other than the aforesaid, during the period ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

* *Calculated based on the Company's total number of issued share capital of 791,575,204 shares as at 30 June 2026 and 25 August 2026.*

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has substantially complied with the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules throughout the period ended 30 June 2026, other than as summarised as below.

All information on the CG Code has been disclosed in the corporate governance report contained in the 2025 annual report of the Company issued in April 2026.

Mr. Su Ning, who is currently an executive Director and the Chief Executive Officer, has been appointed as the Chairman of the Board with effect from 10 October 2025. The Board has confidence in vesting the roles of both Chairman and Chief Executive Officer in Mr. Su and believes that this will ensure the Group has consistent leadership and could make and implement the business strategies of the Group more effectively. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is not inappropriate. In addition, under the supervision of the Board which, apart from Mr. Su being an executive Director, comprises 2 other executive Directors, 3 non-executive Directors and 3 independent non-executive Directors, the Board is appropriately structured with balance of power and authority to provide sufficient checks to protect the interests of the Company and the Shareholders. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of the Chairman of the Board and the Chief Executive Officer is necessary.

The Group will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct on securities transactions by directors (the "Code of Conduct") on terms no less exacting than those required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Listing Rules. Following specific enquiry by the Company, all Directors confirmed that they have complied with the required standards as set out in the Model Code and the Code of Conduct throughout the period ended 30 June 2026.

The Company has also adopted a code of conduct on securities transactions by employees (revised on 24 July 2024) on terms no less exacting than those required standards set out in the Model Code.

AUDIT COMMITTEE

The Audit Committee of the Company (the "AC") comprises the following independent non-executive Directors: Mr. Fung, Yuk Kan Peter (Chairman of the AC), Mr. Chu, Howard Ho Hwa and Mr. Pang Chunlin as at the date of this announcement. The AC is responsible for appointment of external auditors, review of the Group's financial information and oversight of the Group's financial reporting system, risk management and internal control systems. It is also responsible for reviewing the interim and annual results of the Group prior to recommending them to the Board for approval. It meets regularly to review financial reporting and internal control matters and to this end has unrestricted access to both the Company's internal and external auditors. The terms of reference of the AC are available at the websites of the Company and the Stock Exchange.

The AC has reviewed with management the accounting principles, estimates and practices adopted by the Group and discussed risk management, internal controls and financial reporting matters including the review of the interim results for the six months ended 30 June 2026 of the Company now reported on so as to ensure that an effective control and corporate governance environment is maintained.

REMUNERATION COMMITTEE

The Remuneration Committee of the Company (the "RC") is responsible for setting and monitoring the remuneration policy for all Directors and senior management of the Group. The RC comprises Mr. Fung, Yuk Kan Peter (Chairman of the RC), Mr. Su Ning, Ms. Ko Wing Yan, Samantha, Mr. Chu, Howard Ho Hwa and Mr. Pang Chunlin as at the date of this announcement. There are more than half of the members are independent non-executive Directors. The terms of reference of the RC are available at the websites of the Company and the Stock Exchange.

NOMINATION COMMITTEE

The Nomination Committee of the Company (the "NC") comprises Mr. Su Ning (Chairman of the NC), Ms. Ko Wing Yan, Samantha, Mr. Fung, Yuk Kan Peter, Mr. Chu, Howard Ho Hwa and Mr. Pang Chunlin as at the date of this announcement. Among those members of the NC, more than half of the members are independent non-executive Directors. The terms of reference of the NC are available at the websites of the Company and the Stock Exchange.

The roles and functions of the NC include reviewing the structure, size and composition of the Board at least annually, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become members of the Board and selecting individuals nominated for directorship (if necessary), assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment or re-appointment of directors and succession planning for the Directors, in particular the Chairman of the Board and the Chief Executive Officer.

INVESTMENT COMMITTEE

The Investment Committee of the Company (the "IC") is established to source, review (including exit) and select appropriate investment projects to achieve the Group's advancement and transformation strategy. The IC is also responsible for the examine of the investment management risk policies, research of the Group's capital policies and major financing plans. The IC comprises 9 members, including Mr. Su Ning (Chairman of the IC), Ms. Ko Wing Yan, Samantha and Mr. Lo Pak Chi, and other management of the Company as at the date of this announcement.

The Board has approved and authorised the IC to make decisions on investment projects with the authorisation limits and period.

PUBLICATION OF UNAUDITED INTERIM RESULTS AND THE INTERIM REPORT

This announcement has been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.boevx.com). The Company's interim report for the six months ended 30 June 2026 will be despatched to the shareholders of the Company who have elected to receive printed copies and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
BOE Varitronix Limited
Su Ning
Chairman

Hong Kong, 25 August 2026

As at the date of this announcement, the Board comprises nine Directors, of whom Mr. Su Ning, Ms. Ko Wing Yan, Samantha and Mr. Lo Pak Chi are executive Directors, Mr. Shao Xibin, Mr. Meng Chao and Mr. Liu Jing are non-executive Directors, and Mr. Fung, Yuk Kan Peter, Mr. Chu, Howard Ho Hwa and Mr. Pang Chunlin are independent non-executive Directors.