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China Display Optoelectronics Technology Holdings Limited
華 顯 光 電 技 術 控 股 有 限 公 司
(Incorporated in Bermuda with limited liability)
(Stock Code: 334)

RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

Unaudited results for the six months ended 30 June

	2026	2025	**Change**
	(Unaudited)	(Unaudited)	
	RMB'000	*RMB'000*	
Revenue	**3,564,693**	3,170,600	+12.4%
Gross profit	**189,899**	118,349	+60.5%
Profit for the period	**43,160**	51,040	(15.4%)
Profit attributable to owners of the parent	**43,160**	51,040	(15.4%)
Basic earnings per share attributable to owners of the parent			
– For profit for the period	**RMB2.06 cents**	RMB2.43 cents	(15.2%)

The board (the "Board") of directors (each a "Director", together the "Directors") of China Display Optoelectronics Technology Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results and financial position of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026 (the "Review Period") with comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		For the six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
Revenue	*4*	**3,564,693**	3,170,600
Cost of sales		**(3,374,794)**	(3,052,251)
Gross profit		**189,899**	118,349
Other income and gains	*4*	**25,399**	42,609
Selling and distribution expenses		**(20,226)**	(7,020)
Administrative expenses		**(124,876)**	(91,829)
Reversal of impairment loss on financial assets		**940**	707
Other expenses		**(26,517)**	(973)
Finance costs	*6*	**(123)**	(8,199)
PROFIT BEFORE TAX	*5*	**44,496**	53,644
Income tax expense	*7*	**(1,336)**	(2,604)
PROFIT FOR THE PERIOD		**43,160**	51,040

		For the six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
Attributable to:			
Owners of the parent		**43,160**	51,040
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT	*9*		
Basic			
– For profit for the period		**RMB2.06 cent**	RMB2.43 cent
Diluted			
– For profit for the period		**RMB2.06 cent**	RMB2.43 cent

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
PROFIT FOR THE PERIOD	**43,160**	51,040
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of financial statements	**12,479**	7,201
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**12,479**	7,201
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**12,479**	7,201
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**55,639**	58,241
Attributable to:		
Owners of the parent	**55,639**	58,241

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026 (Unaudited) *RMB'000***	31 December 2025 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**826,839**	814,608
Intangible assets		**25,527**	11,384
Deposits paid for purchase of items of property, plant and equipment		**201**	793
Deferred tax assets		**17,827**	5,144
Right-of-use assets		**26,475**	26,982
Treasury deposits at related party		**220,000**	220,000
Total non-current assets		**1,116,869**	1,078,911
CURRENT ASSETS			
Inventories		**377,604**	387,170
Trade and bills receivables	*10*	**1,572,609**	1,617,584
Prepayments and other receivables		**264,849**	223,346
Treasury deposits at related party		**528,448**	825,615
Cash and cash equivalents		**235,784**	33,296
Total current assets		**2,979,294**	3,087,011

	Notes	**30 June 2026 (Unaudited)** *RMB'000*	31 December 2025 (Audited) *RMB'000*
CURRENT LIABILITIES			
Trade payables	*11*	**2,423,261**	2,529,606
Other payables and accruals		**354,380**	375,489
Lease liabilities		**–**	308
Tax payable		**34,998**	30,585
Total current liabilities		**2,812,639**	2,935,988
NET CURRENT ASSETS		**166,655**	151,023
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,283,524**	1,229,934
NON-CURRENT LIABILITIES			
Lease liabilities		**413**	606
Deferred income		**3,113**	4,764
Deferred tax liabilities		**467**	672
Total non-current liabilities		**3,993**	6,042
Net assets		**1,279,531**	1,223,892
EQUITY			
Equity attributable to owners of the parent			
Share capital	*12*	**172,134**	172,134
Shares held for Share Award Scheme		**(13,080)**	(13,080)
Reserves		**1,120,477**	1,064,838
Total equity		**1,279,531**	1,223,892

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES TO THE GROUP'S ACCOUNTING POLICIES

The current period's financial information adopted the amendments to HKAS 21 Lack of Exchangeability. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

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

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group operates in one business unit based on its products, and has one reportable operating segment being the display product segment which principally engages in the processing, manufacture and sale of LCD module products.

No operating segments have been aggregated to form the above reportable operating segment.

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Chinese Mainland *	**2,392,349**	2,911,394
Hong Kong	**1,172,344**	259,206
	3,564,693	3,170,600

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

* Chinese Mainland means the People's Republic of China excluding Hong Kong, Macau and Taiwan.

(b) Non-current assets

All significant operating assets of the Group are located in Chinese Mainland. Accordingly, no geographical information of segment assets is presented.

Information about major customers

Revenue of approximately RMB1,549,278,000 for the six months ended 30 June 2026 (six months ended 30 June 2025: RMB1,579,049,000) was derived from sales to related companies.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Segments	**LCD modules**	LCD modules
Types of goods and services		
Sale of industrial products	**3,527,604**	3,147,354
Services income	**37,089**	23,246
Total revenue from contracts with customers	**3,564,693**	3,170,600
Geographical markets		
Chinese Mainland	**2,392,349**	2,911,394
Hong Kong	**1,172,344**	259,206
Total revenue from contracts with customers	**3,564,693**	3,170,600
Timing of revenue recognition		
Goods and services transferred at a point in time	**3,564,693**	3,170,600

An analysis of other income and gains is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Other income, net		
Bank interest income	**8,540**	21,462
Subsidy income*	**10,684**	13,218
Gain on disposal of raw materials, samples and scraps	**3,989**	4,046
Others	**2,186**	5,151
	25,399	43,877
Gains, net		
Exchange losses	**–**	(1,268)
	25,399	42,609

* Subsidy income represented various government grants received by the Group in Chinese Mainland. In the opinion of the management, there are no unfulfilled conditions or contingencies relating to these grants.

5. PROFIT BEFORE TAX

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

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Cost of inventories sold	**3,374,794**	3,052,251
Depreciation of property, plant and equipment	**58,259**	55,200
Amortisation of intangible assets*	**1,318**	1,388
Depreciation of right-of-use assets	**171**	217
Research and development costs^:		
Current period expenditures	**103,175**	72,535
Employee benefit expense (including directors' remuneration):		
Wages and salaries	**233,484**	229,614
Pension scheme contributions	**11,573**	9,941
	245,057	239,555
Exchange losses, net#	**26,419**	1,268
Impairment/(reversal of impairment) of trade receivables	**1,024**	(718)
(Reversal of impairment)/impairment of financial assets included in prepayments and other receivables	**(70)**	12
Write-down of inventories to net realisable value**	**25,905**	3,847

* The amortisation of intangible assets is included in "Cost of sales" and "Administrative expenses" in the consolidated statement of profit or loss.

^ Research and development costs are included in "Administrative expenses" in the interim condensed consolidated statement of profit or loss.

The exchange losses are included in "Other expenses" in the consolidated statement of profit or loss.

** The write-down of inventories to net realisable value is included in "Cost of sales" in the interim condensed consolidated statement of profit or loss.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Interest on discounted bills	**123**	8,199
	123	8,199

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current – Chinese Mainland		
Charge for the period	**13,974**	10,423
Adjustment in respect of current tax of previous periods	**4,657**	9,342
Deferred	**(17,295)**	(17,161)
Total tax charge for the period	**1,336**	2,604

8. DIVIDENDS

The Directors do not recommend the payment of any dividend by the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of the basic earnings per share amount for the six months ended 30 June 2026 is based on the profit for the period attributable to owners of the parent of RMB43,160,000 (six months ended 30 June 2025: RMB51,040,000), and the weighted average number of ordinary shares of the Company in issue less shares held for the share award scheme of the Company ("Share Award Scheme") during the period of 2,096,908,406 (six months ended 30 June 2025: 2,096,908,406).

The Company had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026.

10. TRADE AND BILLS RECEIVABLES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	RMB'000	*RMB'000*
Trade receivables	**1,569,999**	1,617,748
Bills receivable	**2,733**	983
Impairment	**(123)**	(1,147)
	1,572,609	1,617,584

An ageing analysis of the trade and bills receivables as at the end of the six months ended 30 June 2026 (the "Interim Period"), based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
	RMB'000	*RMB'000*
Within 1 month	**658,854**	650,445
1 to 2 months	**551,576**	491,002
2 to 3 months	**358,342**	440,941
Over 3 months	**3,837**	35,196
	1,572,609	1,617,584

The Group's trading terms with its customers are mainly on credit, except for certain customers, where payment in advance is normally required. The credit period is generally 30 to 90 days, depending on the size and credibility of the customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

11. TRADE PAYABLES

	30 June 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Trade payables	**2,423,261**	2,529,606

An ageing analysis of the trade payables as at the end of the Interim Period, based on the invoice date, is as follows:

	30 June 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Within 30 days	**1,117,202**	1,339,158
31 to 60 days	**751,693**	640,496
61 to 90 days	**361,773**	381,989
Over 90 days	**192,593**	167,963
	2,423,261	2,529,606

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 150 days.

12. SHARE CAPITAL

	30 June 2026	31 December 2025
Authorised:		
4,000,000,000 (31 December 2025: 4,000,000,000) ordinary shares of HK$0.10 each (HK$'000)	**400,000**	400,000
Issued and fully paid:		
2,114,307,929 (31 December 2025: 2,114,307,929) ordinary shares (HK$'000)	**211,431**	211,431
Equivalent to RMB'000	**172,134**	172,134

As at 30 June 2026, the total number of issued ordinary shares of the Company was 2,114,307,929 (31 December 2025: 2,114,307,929).

There's no movement in the Company's share capital during the current period.

INDUSTRY REVIEW

In the first half of 2026, the smartphone market continued to face sustained headwinds. The ongoing memory supply shortage drove up the costs for critical components, prompting smart devices brands to optimise their product mix and adjust retail pricing in order to enhance profitability. At the same time, most manufacturers adopted a cautious approach to order placement and production scaling, leading to a marked slowdown in inventory replenishment for entry-level models. According to the latest research report from Omdia, global smartphone shipments in the second quarter of 2026 declined by 4% year-on-year. Meanwhile, the Chinese smartphone market demonstrated a certain degree of resilience, with domestic shipments in the Chinese Mainland reaching approximately 66.1 million units in the second quarter of 2026, representing a year-on-year decrease of 2%.

The panel industry also experienced increasing upstream cost pressures in the first half of 2026, with small and medium-sized panels particularly affected by price increases resulting from memory chips shortage. According to data from CINNO Research, demand in the global smartphone panel market remained sluggish in the second quarter of 2026. Amid ongoing economic uncertainties, amorphous silicon liquid crystal display ("a-Si LCD") panels, leveraging their cost advantages competitiveness, continued to provide some support for the entry-level market segment, with near-term prices holding steady. However, faced with rising upstream costs and a more cautious approach to procurement among brand customers, the profitability potential for the panel industry has been significantly constrained.

BUSINESS REVIEW

During the Review Period, driven by the product diversification strategy and the steady growth in orders from brand customers, the Group's total sales volume increased by 39.4% year-on-year to 43.0 million units, driving the Group's total revenue up by 12.4% year-on-year to RMB3,564.7 million. During the Review Period, the growth in revenue was primarily driven by increased sales volume, which outpaced overall revenue growth. This was mainly attributable to a shift in product mix and a decline in the average selling price of sales products amid intensifying market competition, with the Group's average selling price decreasing by 6.7% year-on-year to RMB81.6 per unit.

During the Review Period, the average selling prices of the Group's various product categories generally came under pressure, affected by an environment of declining market prices and shifts in product mix. Nevertheless, sales volume growth rates varied across segments, leading to a mixed overall business performance. The overall sales performance of tablet modules was particularly outstanding, with sales volume increasing by 175.5% year-on-year to 16.6 million units. Despite a decline in average selling price attributable to changes in product mix, revenue from this segment increased by 57.8% year-on-year to RMB2,350.6 million, making it the Group's main growth engine during the first half of the year. Sales of mobile phone modules increased by 6.5% year-on-year to 26.5 million units, though revenue from this segment decreased by 4.0% year-on-year to RMB1,160.0 million, mainly due to lower average selling prices. Overall, while maintaining the scale of its existing brand customer base, the Group proactively expanded its medium-sized module businesses, including tablet modules, thereby effectively offsetting downward pricing pressure.

During the Review Period, the Group continued to drive rapid growth in its core businesses, thereby achieving economies of scale that significantly reduced unit production costs. As a result, the Group recorded a gross profit of RMB190.0 million, with a gross profit margin of 5.3%, representing a year-on-year increase of 1.6 percentage points. However, exchange losses widened as translation losses on foreign-currency-denominated assets increased amid RMB exchange rate fluctuations. At the same time, the Group stepped up its research and development (R&D) efforts, resulting in a corresponding rise in R&D expenses. As a combined result of these factors, profit attributable to owners of the parent for the Review Period amounted to RMB43.2 million, representing a decrease of 15.4% year-on-year. Despite the decline in net profit, the profitability of the Group's core businesses remained solid.

Sales volume(Note) of the Group by product segment during the Review Period and their respective year-on-year changes are as follows:

	For the six months ended 30 June				
	2026		2025		**Change**
(Unaudited)	***'000 units***	*%*	*'000 units*	*%*	
Sales of Products					
Mobile Phone Modules	**26,465.4**	**61.5%**	24,853.8	80.5%	+6.5%
Tablet Modules	**16,570.9**	**38.5%**	6,015.8	19.5%	+175.5%
Total	**43,036.3**	**100.0%**	30,869.6	100.0%	+39.4%

Note Effective from the 2026 interim report of the Company, the Group will optimise and adjust its product classification for presentation purpose as follows: (1) sales volume of "Sales of Products – Commercial Display Products" will be merged into "Sales of Products – Tablet Modules"; (2) sales volume of "Sales of Products - Parts and Others" and "Other Services" as appeared in the 2025 annual report of the Company will no longer be separately reported to provide a more focused overview of the performance of the Group's core products.

Revenue(Note) of the Group by product segment during the Review Period and their respective year-on-year changes are as follows:

	For the six months ended 30 June				
	2026		2025		**Change**
(Unaudited)	***RMB million***	*%*	*RMB million*	*%*	
Sales of Products					
Mobile Phone Modules	**1,160.0**	**32.5%**	1,208.3	38.1%	–4.0%
Tablet Modules	**2,350.6**	**66.0%**	1,489.6	47.0%	+57.8%
Other Products and services	**54.1**	**1.5%**	472.7	14.9%	–88.5%
Total	**3,564.7**	**100.0%**	3,170.6	100.0%	+12.4%

Note Effective from the 2026 interim report of the Company, the Group will optimise and adjust its product classification as follows: (1) revenue from "Sales of Products - Commercial Display Products" will be merged into "Sales of Products - Tablet Modules"; (2) revenue from "Sales of Products - Parts and Others" and "Other Services" as appeared in the 2025 annual report of the Company will be combined into "Other Products and Services" for presentation purpose.

Revenue by geographical segment and their respective year-on-year comparisons

	For the six months ended 30 June				
	2026		2025		**Change**
	RMB		*RMB*		
(Unaudited)	***million***	*%*	*million*	*%*	
Mainland China	**2,392.4**	**67.1%**	2,911.4	91.8%	–17.8%
Hong Kong	**1,172.3**	**32.9%**	259.2	8.2%	+352.3%
Total	**3,564.7**	**100.0%**	3,170.6	100.0%	+12.4%

OUTLOOK

Looking ahead, the slowdown in global macroeconomic growth will continue to weigh on the consumer electronics industry. Affected by elevated memory chip costs and soft end-user consumption, the smartphone market is expected to remain on a downward trajectory. According to forecasts by International Data Corporation, smartphone shipments in the Chinese Mainland market may decline by up to 20% year-on-year in the second half of 2026. In the small and medium-sized panel market, overall industry growth momentum is expected to slow down, constrained by contracting end-user demand and increasingly conservative procurement strategies adopted by brand customers. Meanwhile, market demand is undergoing structural changes. Leveraging their cost advantages, a-Si LCD panels are expected to continue providing relatively stable demand support in the after-sales repair market as well as in medium-sized tablet applications.

In response to changes in the market environment, the Group will continue to deepen its synergies with the t9 production line of TCL China Star Optoelectronics Technology Co., Ltd., fully leveraging the advantages of its integrated panel-and-module business model to jointly enhance product competitiveness and supply chain efficiency, thereby maintaining deep cooperative relationships with first-tier brand customers. Looking ahead to the second half of 2026, the Group will maintain the scale of its existing brand customer base while actively expanding its medium-sized businesses such as tablet modules. Through optimising the product portfolio, strengthening cost control and deepening strategic cooperation, the Group aims to smoothly navigate the rising memory chip price-cycle, further reinforce its operational resilience, and strive to create sustainable value for shareholders while laying a solid foundation for stable and long-term development.

FINANCIAL REVIEW

Liquidity and Financial Resources

During the Review Period, the Group's principal financial instruments comprised cash and cash equivalents, short-term deposits and time deposits. The main objective for the use of these financial instruments is to maintain a continuity of funding and flexibility at the lowest cost possible.

The Group's cash and cash equivalents balance as at 30 June 2026 amounted to RMB235.8 million, of which 82.8% was in US dollar, 17.2% was in RMB. The Group's treasury deposits balance as at 30 June 2026 amounted to RMB748.4 million, such deposits were placed with TCL Technology Group Corporation ("TCL Technology") and its subsidiaries pursuant to the Master Financial Services (2026-2028) Agreement dated 13 October 2025 entered into among the Company, TCL Technology and TCL Technology Finance Co., Ltd.* (TCL 科技集團財務有限公司).

As at 30 June 2026, the Group had no interest-bearing bank loans and other borrowings.

As at 30 June 2026, total equity attributable to owners of the parent was RMB1,279.5 million (31 December 2025: RMB1,223.9 million), and the gearing ratio was nil (31 December 2025: nil). The gearing ratio was calculated based on the Group's total interest-bearing loans (including bank borrowings and other borrowings) divided by total assets.

Pledge of Assets

As at 30 June 2026, no asset of the Group was pledged (31 December 2025: nil).

Capital Commitments and Contingent Liabilities

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Contracted, but not provided for:		
Plant and equipment	**41,170**	36,797

As at 30 June 2026, the Group had no significant contingent liabilities (31 December 2025: nil).

Foreign Exchange Risk

The Group's business and operations is facing the international market, thus it is inevitable for the Group to be exposed to the risk arising from foreign exchange transactions and conversion.

The Group is committed to striking a balance among trades, assets and liabilities that are denominated in foreign currencies to achieve a natural hedging effect. The Group also used forward currency contracts to reduce the foreign currency exposures. In addition, pursuant to the principle of prudent financial management, the Group has not conducted or engaged in any high-risk derivative transactions during the Review Period.

Pending Litigation

The Group had not been involved in any material litigation during the Review Period.

Significant Investments Held

There was no significant investment held by the Group as at 30 June 2026.

Material Acquisitions and Disposals

The Group did not undertake any material acquisition or disposal of subsidiaries, associates or joint ventures during the Review Period.

Future Plans For Material Investments Or Capital Assets

As at 30 June 2026, the Group did not have any concrete plans for material investments or capital assets for the second half of the year 2026.

Employees and Remuneration Policies

As at 30 June 2026, the Group had a total of 3,920 employees. During the Review Period, the total staff costs amounted to approximately RMB245.1 million. The Group aims to provide employees with reasonable, legal and competitive compensation, bonus and welfare by offering remuneration packages which are regularly updated based on local gross domestic product (GDP) growth and the latest laws and regulations. Training and development programmes are also provided on an on-going basis to employees of the Group. During the Review Period, the Company has also reviewed the remuneration policy with reference to the existing legislations, market conditions, as well as the performances of employees and the Company. In order to align the interests of staff with those of shareholders, the Company may grant share options and share awards to relevant grantees, including employees of the Group, under the Company’s share option and share award scheme respectively.

INTERIM DIVIDEND

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

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 during the Review Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Review Period, the Company has complied with the code provisions (the "Code Provisions") as set out in Part 2 of the Corporate Governance Code under Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), except for the following deviation:

Under Code Provision C.6.1, the company secretary should be an employee of the issuer and have day-to-day knowledge of the issuer's affairs.

The company secretary of the Company, Ms. CHEUNG Bo Man ("Ms. CHEUNG"), being a practising solicitor in Hong Kong and a partner of the Company's legal advisor, is not an employee of the Company.

During the Review Period, the Company has assigned Ms. Clara SIU, the Vice Director of Finance and Investor Relations Department of the Company as the contact person with Ms. CHEUNG to ensure that information in relation to the performance, financial position and other major developments of the Group are speedily delivered to Ms. CHEUNG to enable her to get hold of the Group's development promptly without material delay. With her expertise and experience, the Company is confident that having Ms. CHEUNG as its company secretary is beneficial to the Group's compliance with the relevant board procedures, applicable laws, rules and regulations.

Save as disclosed above, none of the Directors is aware of any information which would reasonably indicate that the Company has not, throughout the Review Period, fully complied with the Code Provisions.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. Specific enquiries have been made with all Directors and all of them have confirmed that they have complied with the standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions during the Review Period.

AUDIT COMMITTEE

The Company has established an audit committee for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal control procedures. The audit committee currently comprises four members, namely Ms. HSU Wai Man, Helen (as the chairperson), Mr. LI Yang, Mr. XU Yan and Ms. YANG Qiulin, all of whom are independent non-executive Directors. The Group's unaudited interim condensed consolidated financial statements for the six months ended 30 June 2026 have been reviewed by the audit committee, which is of the opinion that the preparation of such financial information complies with the applicable accounting standards, the requirements under the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

On behalf of the Board
LIAO Qian
Chairman

Hong Kong, 27 August 2026

The English translation of Chinese names or words in this announcement, where indicated by "", are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

As at the date of this announcement, the Board comprises Mr. LIAO Qian as Chairman and non-executive Director, Mr. ZHANG Feng, Mr. XI Wenbo, Mr. ZHANG Caili and Mr. HAI Hong as executive Directors; and Ms. HSU Wai Man Helen, Mr. LI Yang, Mr. XU Yan and Ms. YANG Qiulin as independent non-executive Directors.