Haina Intelligent Equipment International Holdings Limited
海納智能裝備國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock code: 1645

2026
INTERIM REPORT

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Hong Yiyuan *(Chairman and Chief Executive Officer)*
Mr. Zhang Zhixiong
Mr. Su Chengya
Mr. He Ziping

NON-EXECUTIVE DIRECTOR

Mr. Chang Chi Hsung

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Ming Kit
Ms. Chan Man Yi
Dr. Xia Anjun

AUDIT COMMITTEE

Ms. Chan Man Yi *(Chairman of the Committee)*
Mr. Chang Chi Hsung
Mr. Chan Ming Kit
Dr. Xia Anjun

REMUNERATION COMMITTEE

Mr. Chan Ming Kit *(Chairman of the Committee)*
Mr. Hong Yiyuan
Mr. Zhang Zhixiong
Ms. Chan Man Yi
Dr. Xia Anjun

NOMINATION COMMITTEE

Mr. Hong Yiyuan *(Chairman of the Committee)*
Mr. Chan Ming Kit
Ms. Chan Man Yi
Dr. Xia Anjun

AUTHORIZED REPRESENTATIVES

Mr. Hong Yiyuan
Mr. Lau Wai Piu Patrick

COMPANY SECRETARY

Mr. Lau Wai Piu Patrick

AUDITOR

Forvis Mazars CPA Limited
Certified Public Accountants, Hong Kong
Registered Public Interest Entity Auditor, Hong Kong

REGISTERED OFFICE

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

222 Qiantong Road
Anhai Town
Jinjiang City
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 707-709, 7/F.
12 Taikoo Wan Road
Taikoo Shing
Quarry Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PRINCIPAL BANKERS

Industrial Bank Co., Ltd., Jinjiang Anhai Branch
Industrial and Commercial Bank of China Limited,
Jinjiang Branch

STOCK CODE

1645

WEBSITE

www.haina-intelligent.com

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Haina Intelligent Equipment International Holdings Limited (the "**Company**" or "**Haina Intelligent**", together with its subsidiaries, the "**Group**") (01645.HK) is an established manufacturer engaging in the design and production of automated machines for manufacturing disposable hygiene products including baby diapers, adult diapers, lady sanitary napkins and wet wipe in the People's Republic of China (the "**PRC**").

In the first half of 2026, amidst macro-level shifts characterised by the restructuring of global industrial chains, intensifying technological competition and the transition towards sustainable development, the Chinese economy demonstrated strong strategic determination and structural resilience. Continuous policy efforts, supported by a systematic incentive framework built upon large-scale equipment upgrades and consumer goods trade-in schemes, have effectively stimulated the market's endogenous momentum, propelling the consumer market towards a new phase of "smart upgrading and green transformation".

Faced with the dual challenges of evolving geopolitical dynamics and fluctuations in global supply chains, the Group has leveraged breakthroughs in cutting-edge technology as its core driving force. In particular, it has made key progress in high value-added precision technology fields such as flexible materials analysis. By combining these advancements with the synergies of its end-to-end industrial chain, the Group has achieved steady expansion in global markets and enhanced its influence within the industry.

By tackling key technical challenges such as the in-depth analysis of flexible materials' properties and process optimisation, whilst promoting efficient coordination across the global supply chain, Haina Intelligent is using continuous innovation as its driving force to lead the evolution of intelligent equipment towards greater flexibility, precision and adaptability to diverse scenarios, thereby empowering traditional manufacturing to achieve an autonomous, flexible and sustainable future transformation.

As of June 30, 2026, the Group owned two production bases in China, namely the Jinjiang Production Base (the "**Jinjiang Production Base**") and the Hangzhou Production Base (the "**Hangzhou Production Base**"), with a total floor area of 150,123.09 square meters. The Jinjiang Production Base has a total construction area of 72,581.91 square meters, while the Hangzhou Production Base has a total construction area of 77,541.18 square meters, of which approximately 32,126.65 square meters are self-used and the remaining portion is planned to be leased out externally. The Group operated 18 and 9 production lines at the Jinjiang Production Base and the Hangzhou Production Base respectively, which are responsible for the production and processing of core components and parts, and their assembly into automated machinery for disposable hygiene products, with the remaining relevant components and parts mainly sourced from third-party suppliers.

For the six months ended 30 June 2026 (the "**Period**"), the Group recorded a total revenue of approximately RMB211.6 million, representing a decrease of approximately 5.6% as compared to the six months ended 30 June 2025 (the "**Prior Period**"), with a total of 23 machines sold; the Group also recorded an unaudited profit after tax for the Period of approximately RMB5.8 million. The Board does not recommend the payment of an interim dividend for the Period.

During the Period, the Group continued to focus on deepening its expertise in the flexible materials and intelligent equipment manufacturing sector. Although the primary customer base remains concentrated in the domestic PRC market, alongside the sustained growth in demand for intelligent equipment in regions such as the PRC, South Asia, and South America, and given that overseas markets serve as key destinations for global manufacturing relocation, the Group intends to increase its investment and presence in overseas markets to successfully expand its customer base, achieve sales growth, and further enhance market penetration. During the Period, the Group's sales network has extended to 10 overseas countries.

As of 30 June 2026, the Group held a total of 173 patents in the PRC. Leveraging our strengths in proprietary research and development ("**R&D**") and specialised manufacturing capabilities, particularly through continued expansion of investments in automated equipment, the Group continued to promote product upgrades and technological innovation in the fields of intelligent and green manufacturing and achieved several key technological breakthroughs. For example, the Group developed a high-speed intelligent multi-head ultrasonic menstrual pants production line, with the output capacity for size M successfully increasing from 350 pieces per minute to 500 pieces per minute, representing an improvement in production efficiency of around 50%, while energy consumption is also expected to decrease by nearly 50%. These advancements further solidify the Group's technological leading position in the global market.

As a responsible enterprise, Haina Intelligent has consistently prioritised sustainability as a core strategy. During the Period, the Group achieved significant results in the technological area, including the continuous introduction of high-speed intelligent equipment to respond to customers' needs for reducing carbon emissions during production; meanwhile, it also actively advanced green factory construction and deepened the digital and green transformation process.

GOING FORWARD

Looking ahead to the second half of 2026, while the global economy faces multiple uncertainties, the disposable hygiene products industry remains promising. With accelerating population aging, intelligent innovation upgrades, and heightened hygiene awareness, the market will continue to drive the growth of consumer demand for environmentally friendly and innovative disposable hygiene products. Particularly in emerging markets, driven by consumption upgrades and accelerated urbanisation, the industry's growth potential appears especially significant.

The Group will focus on the following development strategies:

1. **Continuous technological innovation and upgrades in intelligent manufacturing**

   The new research and development and production centre (the "**R&D Centre**") located in Anhai, Fujian Province, the PRC, was officially commissioned in the first quarter of 2026, and has been equipped with multiple high-precision machines. The R&D Centre will focus on technological research and breakthroughs in key components and the development of new products, serving as the core engine driving the Group's future technological transformation. We will continue to increase investment in R&D and reinforce technological moats. These initiatives will effectively enhance R&D efficiency, accelerate the technological upgrade of key component industries, and drive technological transformation, while also expediting product production turnover processes, thereby further improving overall operational efficiency.

2. **Enhancing production capacity and supply chain flexibility to deliver comprehensive solutions to customers**

   The synergistic advantages of the Group's dual-base deployment are prominent: following the full commissioning of the Hangzhou Production Base, the production capacity and delivery capability for high-end equipment have significantly increased; through upgrades in automation and lean management, the Jinjiang Production Base has further consolidated its production efficiency and foundation for innovation, with annual production capacity expected to continue breaking through.

To acutely respond to customer service needs, the Group has launched a "customisation and full life-cycle service" system covering the entire process, including preliminary demand research, solution design, equipment installation and commissioning, after-sales maintenance, upgrades, and transformation, providing customers with one-stop intelligent equipment solutions. Relying on the synergy of the two bases, the average equipment delivery lead time has been shortened. Currently, the remote operation and maintenance system has achieved comprehensive coverage of global equipment in operation, enabling the swift resolution of technical faults with the aid of remote diagnosis technology, thereby significantly reducing customer equipment downtime. The optimised application of remote collaboration tools has also improved internal operational efficiency.

In addition, through the vertical integration strategy, the Group has increased the in-house production rate of core components and effectively shortened procurement lead times. Looking ahead in the area of green manufacturing, the Group will invest in photovoltaic power generation systems to fully meet the electricity demand of its plants and significantly reduce energy consumption per unit of output value.

3. Advancing globalisation with a platform-based strategy and achieving continuous breakthroughs in overseas market expansion

In response to market demand, the Group will continue to extensively explore the domestic market, actively respond to the domestic consumer goods "trade-in" policy scheme, and consolidate its leading position in the domestic market.

The Group will increase resource investment in emerging markets such as overseas markets, introducing high-performance, highly automated intelligent equipment to meet the market demand for premium-quality products. During the Period, the Group placed brand advertisements across major domestic and international media platforms and participated in large-scale international exhibitions, enhancing brand visibility and strengthening market penetration. Meanwhile, the Group is committed to promoting strategic and organizational upgrades, precisely positioning its products, markets, and customer segments, achieving technological breakthroughs in segmented fields, and expanding business growth space, with market share, product quality, and brand influence serving as the core driving forces.

4. Partnering with AIRS to establish a joint laboratory: Haina Intelligent drives equipment upgrades with AI and robotics technology

Haina Intelligent, together with its non-wholly owned subsidiary Jinjiang OriginHub Intelligent Technology Co., Ltd. ("**Jinjiang OriginHub**"), entered into a strategic cooperation agreement with the Shenzhen Institute of Artificial Intelligence and Robotics for Society ("**AIRS**"). The three parties will jointly establish the "Joint Laboratory for Intelligent Production Line Robotics", focusing on the automation and intelligence upgrades of intelligent manufacturing production lines to promote the industrial application of AI in the hygiene products equipment sector. This marks Haina Intelligent's strategic transition into a provider of "AI + intelligent equipment" solutions.

As an enterprise within the Group focusing on the R&D, production, sales, and services of robots and intelligent logistics equipment, Jinjiang OriginHub is committed to providing the Group with production line composite handling robot solutions centered around "wheeled mobile chassis + robotic arm" to help customers achieve cost reduction and efficiency enhancement. Meanwhile, the Company is continuously expanding its product line and developing a full series of logistics robot products, aiming to provide cost-effective flexible logistics robot solutions for various manufacturing enterprises.

5. **Risks and challenges**

While the prospects remain encouraging, the Group is acutely aware that the future will continue to present multiple challenges, and thus will establish a comprehensive risk-response mechanism. Global economic uncertainties, fluctuations in raw material prices, and pressures faced by the supply chain may pose potential impacts on the Group's operations. In view of this, the Group will continue to strengthen its risk-management mechanisms, refine its supply chain layout, and enhance operational efficiency to ensure the achievement of steady and sustainable business growth. With respect to the risk-management system, the principal measures include: (a) foreign exchange risk hedging, whereby forward contracts will be used to lock in foreign-exchange exposure; (b) enhancing supply chain resilience by maintaining safety stock for key components and establishing dual-sourcing mechanisms; and (c) implementing strategies to respond to risks associated with technological iteration.

FINANCIAL REVIEW

REVENUE

By type of products:

	Six months ended 30 June					
		2026			2025	
	Units	***RMB'000***	***%***	*Units*	*RMB'000*	*%*
		(Unaudited)			(Unaudited)	
Baby diaper machines	**12**	**134,605**	**64**	15	115,800	52
Adult diaper machines	**3**	**41,041**	**19**	6	81,897	37
Lady sanitary napkin machines	**3**	**11,301**	**5**	2	9,401	4
Wet wipe machines	**5**	**3,454**	**2**	–	–	–
Components and parts	**N/A**	**21,177**	**10**	N/A	17,055	7
	23	**211,578**	**100**	23	224,153	100

The Group's revenue decreased by approximately RMB12.6 million (or 5.6%) from approximately RMB224.2 million for the Prior Period to approximately RMB211.6 million for the Period. This was mainly due to the decrease in the sales of adult diaper machines (approximately RMB40.9 million). The decrease was partially offset by the increase in sales of baby diaper machines (approximately RMB18.8 million), lady sanitary napkin machines (approximately RMB1.9 million), wet wipe machines (approximately RMB3.5 million) and components and parts (approximately RMB4.1 million).

As at 30 June 2026, the Group has entered into sales contracts with its customers for the sales and purchase of 31, 8, 2 and 1 units of baby diaper machines, adult diaper machines, lady sanitary napkin machines and underpad machines with aggregate contract values of approximately RMB296.2 million, RMB88.6 million, RMB13.6 million and RMB5.9 million, respectively. Subsequent to 30 June 2026, the Group further entered into sales contracts with its customers for the sales and purchase of 4, 2, 5 and 1 units of baby diaper machines, adult diaper machines, lady sanitary napkin machines and wet wipe machines with aggregate contract values of approximately RMB37.1 million, RMB33.9 million, RMB42.6 million and RMB0.7 million, respectively. The machines under these contracts are expected to be delivered during the years of 2026 and 2027.

MANAGEMENT DISCUSSION AND ANALYSIS

GROSS PROFIT AND GROSS PROFIT MARGIN

The gross profit of the Group decreased by approximately RMB0.1 million to approximately RMB51.6 million for the Period as compared to approximately RMB51.7 million for the Prior Period. The Group's gross profit margin increased by approximately 1.3 percentage points to approximately 24.4% for the Period as compared to approximately 23.1% for the Prior Period. The decrease in gross profit was mainly due to the decrease in revenue; while the increase in gross profit margin was mainly due to the increase in the selling price of baby diaper machines driven by product configuration upgrades.

OTHER INCOME

Other income mainly comprised government grants, exchange gain, bank interest income, income from the sale of scrap materials, additional deduction of input VAT and rental income from properties. The government grants mainly represent the government grants received from government authorities of Fujian Province such as Jinjiang Finance Bureau*（晉江市財政局）and Jinjiang Bureau of Economy and Information Technology*（晉江市經濟和信息化局）, which the entitlements were unconditional and at the discretion of the relevant authorities. All the government grants received during the Period and/or the Prior Period were one-off and unconditional. The Group's other income increased from approximately RMB2.6 million for the Prior Period by approximately RMB0.7 million or approximately 26.9% to approximately RMB3.3 million for the Period. Such increase was mainly due to the increase in additional deduction of input VAT and rental income from properties during the Period.

SELLING AND DISTRIBUTION COSTS

The selling and distribution costs mainly comprised expenses incurred for business trips and entertainment, depreciation, promotional expenses and repair costs. The selling and distribution costs decreased by approximately RMB2.2 million or 20.8%, from approximately RMB10.6 million for the Prior Period to approximately RMB8.4 million for the Period. The decrease was mainly due to the decrease in advertising expenses and consulting service fees during the Period.

ADMINISTRATIVE AND OTHER OPERATING EXPENSES

The administrative and other operating expenses mainly comprised R&D expenses, staff costs, depreciation, amortization and donations. The administrative and other operating expenses increased from approximately RMB35.1 million for the Prior Period by approximately RMB1.3 million or 3.7% to approximately RMB36.4 million for the Period. The increase was mainly due to the increase in depreciation of plants during the Period.

FINANCE COSTS

For the Period, finance costs was approximately RMB4.3 million, which increased by approximately 207.1% as compared to approximately RMB1.4 million for the Prior Period. The increase was mainly due to the absence of capitalised interest on bank loans for construction in progress during the Period (Prior Period: approximately RMB3.1 million).

INCOME TAX EXPENSE

For the Period, income tax expense was approximately RMB0.4 million, which decreased by approximately 33.3% as compared to approximately RMB0.6 million for the Prior Period. The decrease was mainly due to the decrease in taxable profits of the Group's operating subsidiaries in the PRC for the Period.

* *English name is for identification purpose only.*

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group recorded a profit attributable to owners of the Company of approximately RMB5.2 million for the Period (Prior Period: profit attributable to owners of the Company of approximately RMB8.8 million). The decrease in profit attributable to owners of the Company for the Period was mainly due to the increase in finance costs as discussed above.

DIVIDEND

The Board has resolved not to declare an interim dividend for the Period.

LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group's working capital was mainly financed by internal resources and interest-bearing borrowings. The current ratio of the Group, which is calculated based on current assets divided by current liabilities, was approximately 0.6 times as at 30 June 2026 (31 December 2025: approximately 0.7 times). The Group generally financed its daily operations from cash flows generated internally.

Up to the date of this report, outstanding trade receivables of approximately RMB7.7 million as at 30 June 2026 had subsequently been settled.

FINANCIAL POLICIES

The Group is exposed to liquidity risk in respect of settlement of its trade and other payables, bank borrowings and financing obligations, and also in respect of its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short term and long term.

CAPITAL STRUCTURE

As at 30 June 2026, the capital structure of the Group consisted of equity of approximately RMB297.2 million (31 December 2025: approximately RMB288.1 million) and bank borrowings of approximately RMB348.2 million (31 December 2025: approximately RMB354.4 million) as more particularly described in the paragraph headed "Borrowings" below.

BORROWINGS

As at 30 June 2026, the Group had bank loans of approximately RMB348.2 million (31 December 2025: approximately RMB354.4 million).

For further details of the borrowings, please refer to note 16 to the unaudited condensed consolidated financial statements.

GEARING RATIO

The Group's gearing ratio, which is calculated based on total interest-bearing liabilities (defined as the sum of bank loans and lease liabilities) divided by total equity as at the respective period end, was approximately 118.2% as at 30 June 2026 (31 December 2025: approximately 124.1%).

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had the following capital expenditure commitments:

	As at 30 June 2026 *RMB'000*	As at 31 December 2025 *RMB'000*
Contracted but not provided net of deposit paid for		
– Construction in progress	**2,400**	10,576

CONTINGENT LIABILITIES

Save as disclosed elsewhere in this report, the Group had no material contingent liabilities as at 30 June 2026 (31 December 2025: nil).

FOREIGN EXCHANGE RISK MANAGEMENT

The Group's monetary assets, liabilities and transactions are principally denominated in Renminbi, Hong Kong dollars and United States dollars. The Group has not experienced any difficulties or effects on its operations or liquidity as a result of the fluctuations in currency exchange rates during the Period. The Group did not enter into any foreign exchange derivative contract to manage the currency translation risk of Renminbi against United States dollars and Hong Kong dollars during the Period, but the Group will continue to review its foreign exchange exposure regularly and might consider using financial instruments to hedge against foreign exchange exposure at appropriate times.

As at 30 June 2026 and 31 December 2025, the Group had not entered into any financial instruments for the hedging of foreign currencies.

HUMAN RESOURCES

The Group employed a total of approximately 522 employees as at 30 June 2026 (30 June 2025: approximately 563 employees) in Hong Kong and the PRC. Staff costs (including Directors' emoluments) amounted to approximately RMB33.3 million for the Period (Prior Period: approximately RMB36.1 million). Remuneration is determined based on the performance and professional experience of employees as well as prevailing market conditions. The management will regularly review the remuneration policy and arrangements of the Group. In addition to pensions, the Group will also distribute discretionary bonuses to employees as incentives according to their performance. The Group recruits and selects candidates on the basis of their qualifications and suitability for the position. It is the Group's policy to recruit the most capable person available for each position.

CHARGES ON GROUP'S ASSETS

Save as disclosed in note 16 to the unaudited condensed consolidated financial statements, no assets of the Group were charged or pledged as at 30 June 2026.

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND DISPOSALS

On 27 May 2026, the Group entered into an investment agreement to establish Jinjiang OriginHub Intelligent Technology Co., Ltd.（晉江市元樞智能科技有限公司）, a non-wholly owned subsidiary in which the Company holds a 51% equity interest, with a proposed capital contribution of approximately RMB7.1 million.

Save as disclosed above, the Group did not have significant investments and material acquisitions and disposals during the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in this report, the Group currently has no other plans for material investments or capital assets.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in this report, there are no significant events affecting the Group which have occurred after the reporting period and up to the date of this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability. In the opinion of the directors of the Company (the "**Directors**"), except for the below deviation, the Company has adopted the applicable code provisions as set out in the Corporate Governance Code ("**CG Code**") as set out in Part 2 of Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") during the Period.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Mr. Hong Yiyuan ("**Mr. Hong**"), the chairman of the Board and the chief executive officer of the Company, currently performs these two roles. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all the Directors have confirmed that they have fully complied with the required standards set out in the Model Code during the Period.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") assists the Board in discharging its responsibilities for corporate governance, financial reporting and corporate control. The duties of the Audit Committee include reviewing, in draft form, the annual report and accounts, half-year report and provide advice and comments to the Board. The Audit Committee currently consists of three independent non-executive Directors, namely Mr. Chan Ming Kit, Dr. Xia Anjun and Ms. Chan Man Yi and one non-executive Director, namely Mr. Chang Chi Hsung. The chairman of the Audit Committee is Ms. Chan Man Yi, who holds the appropriate professional accounting qualification and financial management expertise as required under the Listing Rules to chair the Audit Committee.

The financial information in this report has not been reviewed nor audited by the Company's auditor but the Audit Committee has reviewed the unaudited condensed consolidated financial information of the Group for the Period and is of the opinion that the preparation of such statements complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Period. As at 30 June 2026, there were no treasury shares (as defined under the Listing Rules) held by the Company.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2026, the interests and short positions of the each director and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) ("**SFO**")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interest in the shares of the Company

Name of Directors	Capacity	Number of Shares (Other than pursuant to equity derivatives)	Number of underlying shares held pursuant to the share option scheme adopted on 8 May 2020	Approximate percentage of the issued Shares
Mr. Hong Yiyuan	Interest in a controlled corporation	349,188,000	–	61.92%
("**Mr. Hong**") (2,3)	Beneficial interest and interest held jointly with another person	–	10,000,000	1.77%
Mr. Zhang Zhixiong	Interest in a controlled corporation	349,188,000	–	61.92%
("**Mr. Zhang**") (2,3)	Beneficial interest and interest held jointly with another person	–	10,000,000	1.77%
Mr. Su Chengya	Interest in a controlled corporation	349,188,000	–	61.92%
("**Mr. Su**") (2,3)	Beneficial interest and interest held jointly with another person	–	10,000,000	1.77%
Mr. He Ziping	Interest in a controlled corporation	349,188,000	–	61.92%
("**Mr. He**") (2,3)	Beneficial interest and interest held jointly with another person	–	10,000,000	1.77%
Mr. Chang Chi Hsung	Interest in a controlled corporation	349,188,000	–	61.92%
("**Mr. Chang**") (2,3)	Interest held jointly with another person	–	10,000,000	1.77%

Notes:

(1) Interests in shares stated above represent long positions.

(2) The Company is directly owned as to 61.92% by Prestige Name International Limited, a company incorporated in the British Virgin Islands with limited liability ("**Prestige Name**"). Prestige Name is beneficially owned and legally owned as to 46.84%, 26.13%, 19.64%, 6.31% and 1.08% by Mr. Hong, Mr. Zhang, Mr. Su, Mr. He and Mr. Chang (the "**Controlling Shareholders**"), respectively.

(3) Mr. Hong, Mr. Zhang, Mr. Su, Mr. He, Mr. Chang and Prestige Name are parties acting in concert pursuant to the acting in concert confirmation entered on 4 March 2022 (the "**Acting in Concert Confirmation**"). By virtue of the SFO, they are deemed to be interested in (i) the indirect attributable interest of the ordinary shares of the Company held by their controlled corporation; and (ii) the respective numbers of shares in Prestige Name held by other parties acting in concert. Therefore, the Controlling Shareholders together are deemed to be interested in a total of 61.92% of the issued share capital of the Company.

Save as disclosed above, as at 30 June 2026, none of the directors and the chief executives of the Company had any interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2026, according to the register kept by the Company under section 336 of the SFO, the corporations or persons (other than a Director or chief executive of the Company) who had interests or short positions in the Shares, or underlying shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO were as follows:

Name	Capacity	Number of Shares/ underlying shares held[1]	Approximate percentage of the issued Shares
Prestige Name [2,3]	Beneficial owner	349,188,000	61.92%
	Interests held jointly with another person	10,000,000 [4]	1.77%

Note:

(1) Interests in shares stated above represent long positions.

(2) The Company is directly owned as to 61.92% by Prestige Name. Prestige Name is beneficially owned and legally owned as to 46.84%, 26.13%, 19.64%, 6.31% and 1.08% by Mr. Hong, Mr. Zhang, Mr. Su, Mr. He and Mr. Chang, respectively.

(3) Mr. Hong, Mr. Zhang, Mr. Su, Mr. He, Mr. Chang and Prestige Name are parties acting in concert pursuant to the Acting In Concert Confirmation. By virtue of the SFO, they are deemed to be interested in (i) the indirect attributable interest of the ordinary shares of the Company held by their controlled corporation; and (ii) the respective numbers of shares in Prestige Name held by other parties acting in concert. Therefore, the Controlling Shareholders together are deemed to be interested in a total of 61.92% of the issued share capital of the Company.

(4) This 10,000,000 shares represent an aggregate of 10,000,000 share options granted to Mr. Hong, Mr. Zhang, Mr. Su and Mr. He, the shareholders of Prestige Name on 21 May 2021 that are exercisable according to the vesting period disclosed in note 18 to the unaudited condensed consolidated financial statements. Pursuant to the Acting in Concert Confirmation, Prestige Name is deemed to be interested in an aggregate of 10,000,000 Shares upon exercise of the said share options.

Save as disclosed above, as at 30 June 2026, no other person (other than a Director or chief executive of the Company) had registered an interest or short position in the Shares or underlying Shares which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE OPTION SCHEME

On 8 May 2020, a share option scheme (the "**Share Option Scheme**") was approved and adopted by the Shareholders, under which, options may be granted to any eligible participants (including any executive Directors) to subscribe for shares in the Company subject to the terms and conditions stipulated in the Share Option Scheme. The Share Option Scheme shall be valid and effective for a period of 10 years after the date of adoption.

No share options were granted or exercised during the Period. The number of share options available for grant under the Share Option Scheme are 32,400,000 and 32,400,000 at 1 January 2026 and 30 June 2026 respectively. The number of shares that may be issued in respect of share options granted under the Share Option Scheme during the Period divided by the weighted average number of shares in issue (excluding treasury shares) for the Period is zero. For details on movement of the share options, please refer to note 18 to the unaudited condensed consolidated financial statements.

UPDATE ON DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Save as disclosed elsewhere in this report, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Period.

By order of the Board
Haina Intelligent Equipment International Holdings Limited
Hong Yiyuan
Chairman and Executive Director

Hong Kong, 28 August 2026

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

	Note	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	5	211,578	224,153
Cost of sales		(159,983)	(172,502)
Gross profit		51,595	51,651
Other income	6	3,287	2,552
Selling and distribution costs		(8,395)	(10,584)
Administrative and other operating expenses		(36,389)	(35,111)
(Provision for) Reversal of impairment loss on trade receivables, net		(1,111)	1,778
Provision for impairment loss on debt instrument at amortised cost		–	(865)
Provision for impairment loss on other receivables		–	(19)
Change in fair value of investment properties		1,200	–
Change in fair value of equity instruments at fair value through profit or loss ("**FVPL**")		241	36
Equity-settled share-based payment expenses	18	–	(121)
Finance costs	7(a)	(4,307)	(1,404)
Profit before tax	7	6,121	7,913
Income tax expense	8	(356)	(636)
Profit for the period		5,765	7,277
Other comprehensive (loss) income:			
Item that will not be reclassified to profit or loss:			
Exchange difference on translation of the Company's financial statements to presentation currency		(4,572)	(3,825)
Item that may be reclassified subsequently to profit or loss:			
Exchange difference on consolidation		7,861	(830)
Total other comprehensive income (loss) for the period		3,289	(4,655)
Total comprehensive income for the period		9,054	2,622
Profit for the period attributable to:			
Owners of the Company		5,223	8,787
Non-controlling interests		542	(1,510)
		5,765	7,277
Total comprehensive income (loss) for the period attributable to:			
Owners of the Company		8,512	4,132
Non-controlling interests		542	(1,510)
		9,054	2,622
		RMB cents (Unaudited)	RMB cents (Unaudited)
Earnings per share	10		
Basic		0.93	1.56
Diluted		0.91	1.56

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Non-current assets			
Investments properties	11	122,000	120,800
Property, plant and equipment	12	409,386	387,613
Intangible assets		1,221	2,687
Deferred tax assets		1,752	2,108
Deposit paid for acquisition of land use rights		–	3,550
		534,359	516,758
Current assets			
Inventories		215,037	230,040
Equity instrument at FVPL		441	210
Debt instrument at amortised cost	14	–	–
Trade and other receivables	13	138,107	151,308
Restricted bank deposits		24,656	20,064
Bank balances and cash		24,562	39,547
		402,803	441,169
Current liabilities			
Trade and other payables	15	287,488	310,133
Lease liabilities		1,318	1,347
Interest-bearing borrowings	16	348,186	354,398
Income tax payable		–	1,154
		636,992	667,032
Net current liabilities		(234,189)	(225,863)
Total assets less current liabilities		300,170	290,895
Non-current liabilities			
Lease liabilities		1,903	1,682
Deferred tax liabilities		1,074	1,074
		2,977	2,756
NET ASSETS		297,193	288,139
Capital and reserves			
Share capital	17	5,088	5,088
Reserves		288,902	280,390
Equity attributable to owners of the Company		293,990	285,478
Non-controlling interests		3,203	2,661
TOTAL EQUITY		297,193	288,139

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company									
		Reserves								
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Capital reserve RMB'000	Statutory reserve RMB'000	Translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025 (audited)	5,088	188,294	4,150	12,559	26,331	(3,941)	33,945	266,426	(459)	265,967
Profit (Loss) for the period	–	–	–	–	–	–	8,787	8,787	(1,510)	7,277
Other comprehensive loss:										
Item that will not be reclassified to profit or loss:										
Exchange difference on translation of the Company's financial statements to presentation currency	–	–	–	–	–	(3,825)	–	(3,825)	–	(3,825)
Item that may be reclassified subsequently to profit or loss:										
Exchange difference on consolidation	–	–	–	–	–	(830)	–	(830)	–	(830)
Total other comprehensive loss for the period	–	–	–	–	–	(4,655)	–	(4,655)	–	(4,655)
Total comprehensive (loss) income for the period	–	–	–	–	–	(4,655)	8,787	4,132	(1,510)	2,622
Transactions with owners:										
Contributions and distributions										
Recognition of equity-settled share-based payment expenses *(Note 18)*	–	–	121	–	–	–	–	121	–	121
	–	–	121	–	–	–	–	121	–	121
Changes in ownership interests										
Non-controlling interest arising from capital contribution of a subsidiary	–	–	–	–	–	–	–	–	900	900
Total transactions with owners	–	–	121	–	–	–	–	121	900	1,021
At 30 June 2025 (unaudited)	5,088	188,294	4,271	12,559	26,331	(8,596)	42,732	270,679	(1,069)	269,610

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company									
		Reserves								
	Share capital *RMB'000*	Share premium *RMB'000*	Share option reserve *RMB'000*	Capital reserve *RMB'000*	Statutory reserve *RMB'000*	Translation reserve *RMB'000*	Accumulated profits *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
At 1 January 2026 (audited)	5,088	188,294	4,391	12,559	28,644	(6,898)	53,400	285,478	2,661	288,139
Profit for the period	–	–	–	–	–	–	5,223	5,223	542	5,765
Other comprehensive (loss) income:										
Item that will not be reclassified to profit or loss:										
Exchange difference on translation of the Company's financial statements to presentation currency	–	–	–	–	–	(4,572)	–	(4,572)	–	(4,572)
Item that may be reclassified subsequently to profit or loss:										
Exchange difference on consolidation	–	–	–	–	–	7,861	–	7,861	–	7,861
Total other comprehensive income for the period	–	–	–	–	–	3,289	–	3,289	–	3,289
Total comprehensive income for the period	–	–	–	–	–	3,289	5,223	8,512	542	9,054
At 30 June 2026 (unaudited)	5,088	188,294	4,391	12,559	28,644	(3,609)	58,623	293,990	3,203	297,193

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit before tax	**6,121**	7,913
Adjustments for:		
Amortisation of intangible assets	**1,922**	2,095
Bank interest income	**(125)**	(184)
Depreciation of property, plant and equipment	**8,877**	6,589
Equity-settled share-based payment expenses	**–**	121
Finance costs	**4,307**	1,404
Loss on disposal of property, plant and equipment, net	**141**	243
Provision for (Reversal of) impairment loss on trade receivables, net	**1,111**	(1,778)
Provision for impairment loss on other receivables	**–**	19
Provision for impairment loss on debt instruments at amortised cost	**–**	865
Change in fair value of investment properties	**(1,200)**	–
Change in fair value of equity instruments at FVPL	**(241)**	(36)
Write off of properties, plant and equipment	**8**	–
Changes in working capital		
Trade and other receivables	**12,844**	(33,714)
Inventories	**15,003**	3,715
Trade and other payables	**(23,414)**	40,369
Cash generated from operations	**25,354**	27,621
Income tax paid	**(1,316)**	(184)
Net cash from operating activities	**24,038**	27,437
INVESTING ACTIVITIES		
Interest received	**125**	184
Proceed from disposal of property, plant and equipment	**246**	86
Purchase of property, plant and equipment	**(26,381)**	(53,624)
Increase in restricted bank deposits, net	**(4,592)**	(1,446)
Net cash used in investing activities	**(30,602)**	(54,800)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
FINANCING ACTIVITIES		
Repayment of lease liabilities	**(1,120)**	(1,877)
Interest paid	**(4,307)**	(1,404)
New bank borrowings raised	**25,027**	82,503
Repayment of bank borrowings	**(31,239)**	(54,803)
Acquisition of additional interest in a subsidiary	**–**	(420)
Capital contribution made by the non-controlling shareholders of a subsidiary	**–**	900
Net cash (used in) from financing activities	**(11,639)**	24,899
Net decrease in cash and cash equivalents	**(18,203)**	(2,464)
Cash and cash equivalents at the beginning of the reporting period	**39,547**	35,490
Effect on exchange rate changes	**3,218**	(4,013)
Cash and cash equivalents at the end of the reporting period, represented cash and bank balances	**24,562**	29,013

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law of the Cayman Islands as an exempted company with limited liability on 20 December 2017, and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 3 June 2020. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company's principal place of business in Hong Kong is situated at Suites 707-709, 7/F., 12 Taikoo Wan Road, Taikoo Shing, Quarry Bay, Hong Kong.

The principal activity of the Company is investment holding. The Group is principally engaged in the design and production of automated machines for disposable hygiene products in the People's Republic of China (the "**PRC**").

In the opinion of the directors of the Company (the "**Directors**"), the immediate and ultimate holding company is Prestige Name International Limited, a limited liability company incorporated in the British Virgin Islands (the "**BVI**"). The ultimate controlling parties are Mr. Hong Yiyuan, Mr. Zhang Zhixiong, Mr. Su Chengya, Mr. He Ziping and Mr. Chang Chi Hsung (collectively referred to as the "**Controlling Shareholders**"), who have been acting in concert over the course of the Group's business history.

2. BASIS OF PREPARATION

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

The Interim Financial Statements are presented in Renminbi ("**RMB**") and all amounts are rounded to the nearest thousand ("**RMB'000**") except when otherwise indicated.

The preparation of the Interim Financial Statements in conformity with HKAS 34 requires the management of the Group to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period to date basis. Actual results may differ from these estimates.

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since 31 December 2025, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("**HKFRSs**"), HKASs and Interpretations issued by the HKICPA. They shall be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 December 2025 (the "**Annual Report**").

The Interim Financial Statements have been prepared on historical cost basis except for investment properties and equity instrument at FVPL which are stated at fair value.

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in preparing the Annual Report except for the adoption of the new/revised HKFRS Accounting Standards, HKASs and Interpretations which are relevant to the Group as detailed in note 3 below (hereinafter collectively referred to as the "new/revised HKFRS Accounting Standards") which are effective for current interim period.

2. BASIS OF PREPARATION *(continued)*

Going concern

At 30 June 2026, the Group recorded net current liabilities of approximately RMB234,189,000. Based on the estimation of the future cash flows of the Group, after taking into account of (i) the bank and cash balances at 30 June 2026; and (ii) the confirmed and indicated credit commitments from financial institutions, the Directors are of the opinion that the Group will have sufficient working capital to finance its normal operation and meet the obligation for its liabilities for the twelve months from the end of the reporting period of the unaudited condensed consolidated financial statements. Accordingly, the unaudited condensed consolidated financial statements have been prepared on a going concern basis.

3. ADOPTION OF NEW/REVISED HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has adopted for the first time the following new/revised HKFRS Accounting Standards issued by the HKICPA, which are effective for the current period.

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

The adoption of the new/revised HKFRS Accounting Standards in the current period had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in the Interim Financial Statements.

At the date of authorisation of the Interim Financial Statements, the HKICPA has issued a number of new/revised HKFRS Accounting Standards that are not yet effective for the current period, which the Group has not early adopted.

HKFRS 18	Presentation and Disclosure in Financial Statements[1]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[1]
Amendments to HKAS 21	Translation to Hyperinflationary Presentation Currency[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[2]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027

3. ADOPTION OF NEW/REVISED HKFRS ACCOUNTING STANDARDS *(continued)*

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18 "Presentation and Disclosure in Financial Statements", which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures". Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made. HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of HKFRS 18 may affect the presentation of the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

Except for the above, the management of the Group does not anticipate that the adoption of these new/revised HKFRS Accounting Standards in future periods will have any material impact on the consolidated financial statements of the Group.

4. SEGMENT INFORMATION

The Directors have determined that the Group has a single operating and reportable segment for the six months ended 30 June 2026 and 2025, as the Group manages its business as a whole as the design and production of automated machines for disposable hygiene products and the executive directors of the Company, being the chief operating decision makers of the Group, regularly review the internal financial reports on the same basis for the purposes of allocating resources and assessing performance of the Group. Segment information is not presented accordingly.

Information about geographical areas

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of the revenue is presented based on the location of customers. The Group's all non-current assets are located in the PRC.

4. SEGMENT INFORMATION *(continued)*

Information about geographical areas *(continued)*

Revenue from external customers

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Mainland China	**104,895**	97,751
Central Asia *(Note (i))*	**33,470**	6,576
Southeast Asia *(Note (ii))*	**27,617**	47,153
South America *(Note (iii)*	**20,410**	22,073
Europe	**12,952**	–
Central America	**12,160**	–
South Asia *(Note (iv))*	**74**	40,526
East Africa	**–**	5,879
West Asia	**–**	3,755
Others	**–**	440
	211,578	224,153

Notes:

(i) Central Asia included the sales to external customers located in Saudi Arabia and the Republic of Uzbekistan.

(ii) Southeast Asia included the sales to external customers located in Republic of Indonesia, Vietnam, the Philippines, and Malaysia.

(iii) South America represented the sales to external customers located in Brazil.

(iv) South Asia included the sales to external customers located in India, Bangladesh, and Islamic Republic of Pakistan.

Information about major customers

Details of the customers (including entities under common control) individually accounting for 10% or more of aggregate revenue of the Group during the period are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Customer A	**33,291**	23,725
Customer B	**25,576**	*(Note)*

Note: The customer contributed less than 10% of the total revenue of the Group for the six months ended 30 June 2025.

5. REVENUE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within HKFRS 15		
– at a point in time		
Sales of machines of		
– baby diaper	**134,605**	115,800
– adult diaper	**41,041**	81,897
– lady sanitary napkin	**11,301**	9,401
– wet wipe	**3,454**	–
Sales of components and parts	**21,177**	17,055
	211,578	224,153

The amounts of revenue recognised for the six months ended 30 June 2026 and 2025 that were included in the contract liabilities at the beginning of each reporting period are approximately RMB73.4 million and RMB55.3 million, respectively.

6. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Bank interest income	**125**	184
Rental income	**330**	–
Government grants *(Note (i))*	**541**	544
Additional deduction of input value-added tax ("**VAT**") *(Note (ii))*	**775**	268
Sales of scrap materials	**445**	731
Others	**1,071**	825
	3,287	2,552

Notes:

(i) In the opinion of the management of the Group, there was no unfulfilled condition or contingency relating to the governments grants.

(ii) According to Announcement [2023] No. 43 of the Ministry of Finance and the State Taxation Administration of the PRC, with effect from 1 January 2023 to 31 December 2027, advanced manufacturing enterprises are eligible for additional VAT credits by 5% of the current period creditable VAT input. The subsidiaries of the Company, 晉江海納機械有限公司 (Jinjiang Haina Machinery Co. Ltd*) ("**Jinjiang Haina**") and 杭州海納機械有限公司(Hangzhou Haina Machinery Co. Ltd*) ("**Hangzhou Haina**") are qualified for the additional deduction of input VAT.

* English name is for identification purpose only.

7. PROFIT BEFORE TAX

This is stated after charging:

		Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
(a)	**Finance costs**		
	Interest on bank borrowings	**4,255**	4,366
	Finance charges on lease liabilities	**52**	181
		4,307	4,547
	Less: interest on bank borrowings capitalised into construction in progress	**–**	(3,143)
		4,307	1,404
(b)	**Staff costs, including directors' remuneration**		
	Salaries, allowances, discretionary bonus and other benefits in kind	**28,936**	30,680
	Equity-settled share-based payment expenses	**–**	121
	Contributions to defined contribution plans	**4,376**	5,323
		33,312	36,124
(c)	**Other items**		
	Cost of inventories *(Note)*	**159,983**	172,502
	Auditor's remuneration	**184**	196
	Amortisation of intangible assets	**1,922**	2,095
	Depreciation of property, plant and equipment (included in "cost of sales" and "administrative and other operating expenses", as appropriate)	**8,877**	6,589
	Less: capitalised as "construction in progress"	**–**	(213)
		8,877	6,376
	Exchange loss, net	**2,924**	573
	Short-term lease payments (included in "cost of sales")	**65**	842
	Loss on disposal of property, plant and equipment, net	**141**	243
	Research and development expenses	**12,623**	15,108

Note: During the six months ended 30 June 2026, cost of inventories included approximately RMB24.9 million (six months ended 30 June 2025: approximately RMB24.5 million), relating to the aggregate amount of certain staff costs and depreciation, which were included in the respective amounts as disclosed above.

8. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax		
PRC Enterprise Income Tax – current period	**356**	352
Hong Kong Profits Tax – current period	**–**	284
Income tax expense for the period	**356**	636

The Group's entities established in the PRC are subject to PRC Enterprise Income Tax at a statutory rate of 25% except for Jinjiang Haina, Hangzhou Haina and 晉江市海佳智能裝備有限公司(Jinjiang Haijia Intelligent Equipment Co., Ltd.*) ("**Jinjiang Haijia**") were recognised as High and New Technology Enterprises and are entitled to a preferential tax rate of 15%. The entitlement of this tax benefit is subject to renewal by respective tax bureau in the PRC every three years. The latest approvals for Jinjiang Haina, Hangzhou Haina and Jinjiang Haijia enjoying this tax benefit were obtained in December 2025 for the three years ending 31 December 2027, in December 2024 for three years ending 31 December 2026 and in December 2024 for the three years ending 31 December 2026, respectively.

The Group's entities incorporated in the Cayman Islands and the BVI are exempted from income tax.

For the six months ended 30 June 2026, Hong Kong Profits Tax is calculated in accordance with the two-tiered tax rates regime under which, the first HK$2 million assessable profits arising from Hong Kong of qualifying entity of the Group were taxed at 8.25%, and assessable profits arising from Hong Kong above HK$2 million were taxed at 16.5%. As any one of the subsidiaries in the Group is eligible to elect the two-tiered profits tax rates, profits of the remaining subsidiaries of the Group continue to be taxed at a flat rate of 16.5%.

Hong Kong Profits Tax has not been provided as the Group had no assessable profit arising from Hong Kong for the six months ended 30 June 2025.

* *English name is for identification purpose only.*

9. DIVIDENDS

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).

10. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit:		
Profit attributable to owners of the Company used for the purpose of basic earnings per share	**5,223**	8,787

	2026	2025
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**563,976**	563,976
Adjusted for calculation of diluted earnings per share:		
Share options	**8,901**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**572,877**	563,976

The computation of diluted earnings per share did not assume the exercise of the outstanding share options since the exercise prices per share options were higher than the average market price for shares of the Company for the six months ended 30 June 2025.

11. INVESTMENT PROPERTIES

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
At fair value		
At the beginning of the reporting period	**120,800**	–
Transfer from construction in progress	**–**	118,055
Change in fair value	**1,200**	2,745
	122,000	120,800

At 30 June 2026 and 31 December 2025, the investment properties were revalued by BonVision International Appraisals Limited, an independent professional qualified valuer, on the market value basis using direct comparison approach.

Direct comparison approach is adopted by the Group as valuation technique as the adoption can reflect the relevance to the existing conditions of the investment properties and give a fairer presentation of the financial performance and financial position of the Group.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, property, plant and equipment (excluding right-of-use assets) purchased of by the Group were approximately RMB26,689,000 (year ended 31 December 2025: approximately RMB81,732,000), disposed of by the Group were approximately RMB555,000 (year ended 31 December 2025: approximately RMB897,000), and transferred from construction in progress to property, plant and equipment amounted of RMB207,013,000 (year ended 31 December 2025: transferred from construction in progress to property, plant and equipment and investment properties amounted to approximately RMB197,396,000).

During the six months ended 30 June 2026, the Group recognised right-of-use assets (presented in property, plant and equipment) by incurring lease liabilities of approximately RMB1,312,000 (year ended 31 December 2025: approximately RMB4,158,000).

13. TRADE AND OTHER RECEIVABLES

	Note	**At 30 June 2026** ***RMB'000*** **(Unaudited)**	At 31 December 2025 *RMB'000* (Audited)
Trade receivables		**71,295**	90,455
Less: Allowance for expected credit losses ("**ECL**")		**(11,298)**	(10,195)
	13(a)	**59,997**	80,260
Other receivables			
Prepayment to suppliers		**8,171**	6,636
Other prepaid expenses		**3,989**	2,459
Interest receivable from debt instrument at amortised cost		**691**	691
Deposits and other receivables		**4,691**	2,778
Value-added tax and other tax recoverable		**61,259**	59,175
		78,801	71,739
Less: Allowance for ECL		**(691)**	(691)
		78,110	71,048
		138,107	151,308

13(a) Trade receivables

Apart from a portion of the contract sum retained by customers to cover the Group's product quality warranty, the Group does not grant credit terms to customers in the sales contract. However, the Group would normally grant credit terms up to 30 days from the date of issuance of invoices to its customers for their processing of billing settlement as approved by the management on a case by case basis.

Included in trade receivables at 30 June 2026 and 31 December 2025 were retained sums of approximately RMB983,000 and RMB1,883,000, respectively. These amounts are due for collection upon the expiry of product quality warranty period (which is usually 12 months from the acceptance by the customer of the machine).

13. TRADE AND OTHER RECEIVABLES *(continued)*

13(a) Trade receivables *(continued)*

The ageing analysis of trade receivables (net of allowance for ECL) based on revenue recognition date at the end of each reporting period is as follows:

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 30 days	**12,298**	24,139
31 to 60 days	**1**	19,360
61 to 90 days	**933**	4,742
91 to 180 days	**4,054**	7,432
181 to 365 days	**28,502**	10,691
Over 365 days	**14,209**	13,896
	59,997	80,260

At the end of each reporting period, the ageing analysis of the trade receivables (net of allowance for ECL) by due date is as follows:

	At 30 June 2026	At 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Not yet due	**16,540**	27,653
Past due:		
Within 30 days	**4,449**	14,344
31 to 60 days	**9,762**	8,091
61 to 90 days	**2,999**	6,555
91 to 180 days	**1,667**	7,837
181 to 365 days	**15,160**	8,081
Over 365 days	**9,420**	7,699
	43,457	52,607
	59,997	80,260

14. DEBT INSTRUMENT AT AMORTISED COST

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Unlisted debt instrument, unsecured	**30,306**	31,407
Less: Allowance for ECL	**(30,306)**	(31,407)
	–	–

On 24 January 2021, the Company and Pengo Holdings Group Limited (formerly known as "Trendzon Holdings Group Limited" and "Pipeline Engineering Holdings Limited") (the "**Issuer**") entered into a subscription agreement, pursuant to which the Issuer has conditionally agreed to issue, and the Company has conditionally agreed to subscribe for, the bond in the principal amount of HK$40,000,000 (equivalent to approximately RMB33,248,000).

On 25 January 2022, the maturity date of the bond had been subsequently extended to 25 January 2023. On 3 March 2023, the Company and the Issuer has agreed to further extend the maturity date of the bond from 25 January 2023 to 25 July 2023 and also agreed to amend the bond interest rate from 6% to 8% per annum. Details are set out in the Company's announcements dated 25 January 2022 and 3 March 2023.

The Bond was subsequently guaranteed by a deed of corporate guarantee executed by an independent third party in favour of the Group on 4 March 2023. The independent third party is a company incorporated in the PRC with limited liability and is principally engaged in provision of business services in the PRC.

As at 30 June 2026, the remaining balance of HK$35,000,000 (equivalent to approximately RMB30,306,000) (31 December 2025: HK$35,000,000 (equivalent to approximately RMB31,407,000)) was outstanding and fully impaired.

During the period ended 30 June 2026, the Group is taking legal action (including but not limited to legal letters) to demand the Issuer to make payment of the outstanding principal amount and the relevant interest amount accrued.

15. TRADE AND OTHER PAYABLES

	Note	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Trade payables	15(a)	76,860	94,208
Bills payables		35,010	47,684
Other payables			
Salaries payable		4,648	7,187
Contract liabilities – receipt in advance		118,317	109,351
Payable for construction in progress		25,479	26,342
Payable for property, plant and equipment		4,589	1,474
Other tax payables		2,496	1,274
Accruals and other payables		20,089	22,613
		175,618	168,241
		287,488	310,133

15(a) Trade payables

The trade payables are non-interest bearing and the Group is normally granted with credit term up to 180 days.

At the end of each reporting period, the ageing analysis of the trade payables based on goods receipt date is as follows:

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Within 30 days	48,088	62,592
31 to 60 days	9,612	10,722
61 to 90 days	5,726	5,615
91 to 180 days	10,209	8,907
181 to 365 days	411	438
Over 365 days	2,814	5,934
	76,860	94,208

16. INTEREST-BEARING BORROWINGS

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Bank loans – unsecured	17,000	11,000
Bank loans – secured	331,186	343,398
	348,186	354,398
Denominated in:		
RMB	348,186	354,398

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Analysed for reporting purpose:		
Carrying amounts of interest-bearing borrowings that are repayable*		
Within one year	80,485	79,467
More than one year, but not exceeding two years	10,457	12,457
More than two years, but not exceeding five years	59,287	44,059
More than five years	197,957	218,415
Amounts shown under current liabilities	348,186	354,398

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

16. INTEREST-BEARING BORROWINGS *(continued)*

The exposure of the Group's borrowings are as follows:

	At 30 June 2026 *RMB'000* (Unaudited)	At 31 December 2025 *RMB'000* (Audited)
Fixed-rate borrowings	157,378	91,295
Variable-rate borrowings	190,808	263,103
	348,186	354,398

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	At 30 June 2026 *RMB'000* (Unaudited)	At 31 December 2025 *RMB'000* (Audited)
Effective interest rate:		
Fixed-rate borrowings	1.5% to 3.30%	1.50% to 3.30%
Variable-rate borrowings	1.70% to 3.20%	2.00% to 3.50%

16. INTEREST-BEARING BORROWINGS *(continued)*

At 30 June 2026, the secured bank loans are collectively secured by:

(i) land use rights, buildings, construction in progress and investment properties of the Group with aggregate net carrying value of approximately RMB40,228,000 (31 December 2025: approximately RMB40,666,000), approximately RMB319,753,000 (31 December 2025: approximately RMB125,423,000), approximately nil (31 December 2025: approximately RMB187,497,000) and approximately RMB122,000,000 (31 December 2025: approximately RMB120,800,000) respectively;

(ii) restricted bank deposits amounted to RMB30,000 (31 December 2025: approximately RMB30,000);

(iii) personal guarantee given by Mr. Hong Yiyuan, who is one of the Controlling Shareholders, to the extent of approximately RMB2,000,000 (31 December 2025: approximately RMB10,000,000);

(iv) personal guarantees given by Mr. Hong Yiyuan, Mr. Zhang Zhixiong, Mr. Su Chengya and Mr. He Ziping, who are the Controlling Shareholders, to the extent of RMB30,000,000 (31 December 2025: approximately RMB20,000,000); and

(v) personal guarantee collectively given by Mr. Hong Yiyuan, Mr. Zhang Zhixiong, Mr. Su Chengya and Mr. He Ziping, who are the Controlling Shareholders, to the extent of approximately RMB30,000,000 (31 December 2025: approximately RMB30,000,000).

The banking facilities are subject to the fulfillment of covenants relating to certain of the Company's ratios based on its statement of financial position, as are commonly found in lending arrangements with financial institutions. If the Company was to breach the covenants, the drawn down facilities would become repayable on demand. In addition, the Company's term loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Company has complied with the covenants and met the scheduled repayment obligations.

The Company regularly monitors its compliance with these covenants and has made payments according to the schedule of the term loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the Company continues to meet these requirements.

17. SHARE CAPITAL

Ordinary share of HK$0.01 each	**Number of shares**	*HK$*	*Equivalent to RMB'000*
Authorised:			
At 31 December 2025, 1 January 2026 (audited) and **30 June 2026 (unaudited)**	2,000,000,000	20,000,000	10,695
Issued and fully paid:			
At 31 December 2025, 1 January 2026 (audited) and **30 June 2026 (unaudited)**	**563,976,000**	**5,639,760**	**5,088**

18. SHARE-BASED PAYMENTS

Pursuant to the Company's general meeting on 8 May 2020 (the "**Date of Adoption**"), an ordinary resolution was passed to approve and adopt the new share option scheme of the Company (the "**Scheme**").

The purpose of the Scheme is to provide incentives or rewards to participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity. Participants of the scheme include (i) any eligible employee; (ii) any director (including executive, non-executive and independent non-executive directors) of the Company, any of its subsidiaries or any invested entity; (iii) any supplier of goods or services to any member of the Group or any invested entity; (iv) any customer of the Group or any invested entity; (v) any person or entity acting in their capacities as advisers or consultants that provides research, development or other technological support to the Group or any invested entity; (vi) any shareholder of any member of the Group or any invested entity or any holder of any securities issued by any member of the Group or any invested entity; and (vii) any other group or class of Participants from time to time determined by the directors as having contributed or may contribute to the development and growth of the Group and any invested entity. The Scheme will remain in force for 10 years from the Date of Adoption, unless otherwise terminated or altered.

The total number of shares which may be granted under the Scheme and any other share option schemes of the Company shall not exceed 10% of the total number of shares in issue immediately upon completion of the Share Offer (the "**10% Limit**") unless the Company seeks the approval of the shareholders in general meeting for refreshing the 10% Limit, if applicable. The maximum number of shares issued and issuable to each participant under the Scheme in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue as at proposed grant date.

Each grant of options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the Scheme or any other share option scheme of the Company or any of its subsidiaries shall be subject to approval by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, in aggregate over 0.1% of the relevant class of shares in issue and with an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK$5,000,000 within any 12-month period, are subject to shareholders' approval in general meeting.

The offer of grant of share options is accepted upon a remittance in favour of the Company of HK$1 by way of consideration for grant is received by the Company from grantee. The exercise period of the share options granted is determinable by the board of directors and commences from the date on which the offer of share options is duly accepted by the grantee in accordance with the Scheme.

The subscription price of share options is determinable by the board of directors, and shall not be lower than highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares.

On 21 May 2021, the Company offered to grant a total of 14,000,000 share options at an exercise price of HK$1.14 per share of the Company to certain eligible participants (the "**Grantees**"), of which 10,000,000 and 4,000,000 share options were respectively granted to the executive directors of the Company and certain employees of the Group, pursuant to the Scheme of the Company. The Grantees are entitled, subject to the terms and conditions of the grant and upon exercise, to subscribe a total of 14,000,000 ordinary shares in the share capital of the Company.

18. SHARE-BASED PAYMENTS *(continued)*

Details of the share options granted, exercised, cancelled/lapsed and outstanding under the Scheme during the six months ended 30 June 2026 are as follows:

Category of the Grantees	Date of grant (dd/mm/yyyy)	Exercise price *HK$*	Vesting date (dd/mm/yyyy)	Exercisable period (dd/mm/ yyyy)	Number of share options As at 01/01/2026	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	As at 30/06/2026
Directors									
Mr. Hong Yiyuan	21/05/2021	1.14	01/01/2025	01/01/2025 –20/05/2031	2,000,000	–	–	–	2,000,000
			01/01/2026	01/01/2026 –20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 –20/05/2031	1,000,000	–	–	–	1,000,000
					4,000,000	–	–	–	4,000,000
Mr. Zhang Zhixiong	21/05/2021	1.14	01/01/2025	01/01/2025 –20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 –20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 –20/05/2031	500,000	–	–	–	500,000
					2,000,000	–	–	–	2,000,000
Mr. Su Chengya	21/05/2021	1.14	01/01/2025	01/01/2025 –20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 –20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 –20/05/2031	500,000	–	–	–	500,000
					2,000,000	–	–	–	2,000,000
Mr. He Ziping	21/05/2021	1.14	01/01/2025	01/01/2025 –20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 –20/05/2031	500,000	–	–	–	500,000
			01/01/2026	01/01/2026 –20/05/2031	500,000	–	–	–	500,000
					2,000,000	–	–	–	2,000,000
Sub-total					10,000,000	–	–	–	10,000,000

18. SHARE-BASED PAYMENTS *(continued)*

					Number of share options				
Category of the Grantees	Date of grant (dd/mm/yyyy)	Exercise price *HK$*	Vesting date (dd/mm/yyyy)	Exercisable period (dd/mm/ yyyy)	As at 01/01/2026	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	As at 30/06/2026
Eligible employees	21/05/2021	1.14	01/01/2025	01/01/2025 –20/05/2031	2,000,000	–	–	–	2,000,000
			01/01/2026	01/01/2026 –20/05/2031	1,000,000	–	–	–	1,000,000
			01/01/2026	01/01/2026 –20/05/2031	1,000,000	–	–	–	1,000,000
Sub-total					4,000,000	–	–	–	4,000,000
Total					14,000,000	–	–	–	14,000,000

The fair values of share options granted to directors and employees on 21 May 2021 are approximately HK$0.355 and HK$0.360 per option respectively, which are calculated using a Binomial Option Pricing model by an independent professional valuer, Roma Appraisals Limited with the following key inputs:

Share price at the date of grant	HK$1.14
Exercise price	HK$1.14
Expected volatility	46.42%
Risk-free interest rate	1.10%
Expected dividend yield	6.09%

During the six months ended 30 June 2026, with reference to the fair value of the share options granted, the Group recognised Nil (six months ended 30 June 2025: approximately RMB121,000) as equity-settled share-based payment expenses. None of the share options was exercised.

19. RELATED PARTY/CONNECTED TRANSACTION

In addition to the information disclosed elsewhere in the Interim Financial Statements, the Group had the following transactions with related parties:

19(a) Related party transaction

There were no other related party transactions during the six months ended 30 June 2026 and 2025.

19(b) Remuneration for key management personnel of the Group

Remuneration for key management personnel (including directors) of the Group as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Directors' fees	**422**	560
Salaries, allowances and benefits	**610**	540
Share-based payment expenses	**–**	85
Contribution to defined contribution plans	**151**	146
	1,183	1,331

19. RELATED PARTY/CONNECTED TRANSACTION *(continued)*

19(c) Connected transactions

During the six months ended 30 June 2026 and 2025, the Group had the following transactions with persons who would be regarded as connected persons as defined in the Chapter 14A of the Listing Rules:

	Note	**Six months ended 30 June 2026 RMB'000 (Unaudited)**	2025 RMB'000 (Unaudited)
Purchase of materials from:			
晉江市恒勤機械工貿有限公司 (Jinjiang City Hengqin machinery Industry and Trade Limited*) ("**Hengqin Machinery**")	*(i)*	**35**	1,885
晉江市盛榮機械設備有限公司 (Jinjiang City Shengrong machinery Equipment Limited*) ("**Shengrong Machinery**")	*(ii)*	**1,067**	1,180
廣東愛美高智能設備有限公司 (Guangdong Imiko Intelligent Equipment Co., Ltd.*) ("**Guangdong Imiko**")	*(iii)*	***(Note (iii))***	742
佛山市後道包裝設備有限公司 (Foshan Houdao Packaging Equipment Co., Ltd.*) ("**Foshan Houdao**")	*(iv)*	***(Note (iv))***	351
Sales of materials to:			
Guangdong Imiko	*(iii)*	***(Note (iii))***	28

Notes:

(i) Hengqin machinery is a limited liability company established in the PRC, and is wholly-owned by three relatives of one of the Controlling Shareholders of the Company.

(ii) Shengrong machinery is a limited liability company established in the PRC, and is a wholly-owned by a relative of one of the Controlling Shareholders of the Company.

(iii) Guangdong Imiko is a limited liability company established in the PRC, and is ultimately controlled by a controlling shareholder of a former non-wholly owned subsidiary, Aopusi Intelligent Packaging System (Foshan) Co., Ltd.* ("**Aopusi**"), which was disposed on 25 November 2025. Transactions incurred after the disposal of Aopusi are not considered as connected transactions.

(iv) Foshan Houdao is a limited liability established in the PRC, a wholly-owned subsidiary of Guangdong Imiko and is ultimately controlled by a controlling shareholder of a former non-wholly owned subsidiary, Aopusi, which was disposed on 25 November 2025. Transactions incurred after the disposal of Aopusi are not considered as connected transactions.

* *English name is for identification purpose only.*

20. COMMITMENTS

At the end of the reporting period, the Group had the following capital expenditure commitments:

	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Contracted but not provided net of deposit paid for		
– construction in progress	2,400	10,576

21. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in the Interim Financial Statements, the Group had no significant subsequent event subsequent to 30 June 2026.