# STELLA
INTERNATIONAL

# Interim Report 2026

STELLA INTERNATIONAL HOLDINGS LIMITED
**STOCK CODE: 1836**

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# CHAIRMAN'S STATEMENT

Dear shareholders,

2026 is an important investment year under our current Three-Year Plan (2026-2028) to position Stella for long-term growth and margin expansion.

Within our footwear manufacturing business, our foremost priority is commissioning three new facilities: a dedicated factory in Indonesia for our major Sports customers, a smaller-scale facility in Vietnam for a new Sports partner, and our second Bangladesh factory that will add to our capacity to meet current and future demand.

Strengthening our design and commercialisation capabilities is another major focus. In tandem with our operational expansion in Vietnam, we are establishing a dedicated product development centre for a new Sports customer alongside a broader R&D hub for all our footwear customers. These investments in product innovation are essential for reinforcing our market leadership and building into our long-held strengths, especially our proven reputation for quality and innovation.

Indeed, these strengths have proven to be a vital anchor as we continue to navigate persistent economic, geopolitical and trade policy headwinds. For our Sports customers—which now range from established market leaders to newer challengers—some are approaching the coming months with a measure of caution amid persistent inflationary and cost-of-living pressures. At the same time, our expanding portfolio of high-end Fashion and Luxury customers continue to face a tepid and uneven global market.

Yet, despite these macro conditions, our full-year forward order visibility remains solid. We are continuing to win new fast-growing Sports and Fashion customers drawn to our diversified production base and value-add attributes. This protected our top-line momentum in the first half of 2026, even as our current capacity expansion investments weighed on our profitability.

Elsewhere, we are seeing similar dynamics in our handbag and accessories manufacturing business, which we are developing as a future growth driver. 2026 is also a pivotal investment year for this business, as we expand its customer base, sharpen its capabilities and develop new styles to move up the value curve. In doing so, we aim to cultivate the same reputation for quality and innovation that defines Stella in footwear.

We are also continuing to gain recognition for our progress in strengthening sustainability. In early 2026, our MSCI ESG rating was upgraded from 'AA' to 'AAA' by MSCI ESG Research—our third consecutive annual upgrade.

Despite our current level of investment, we continue to prioritise delivering value to shareholders. I am pleased to announce that the Board has declared an interim dividend of HK42 cents per ordinary share, in line with our long-standing 70% dividend payout policy.

We also remain committed to returning additional cash up to US$60 million to shareholders in 2026 through a combination of share repurchases and special dividends, as per our announcement of interim results for the six months ended 30 June 2024 ("Excess Cash Return Program").

On behalf of the Board, I would like to extend my heartfelt thanks to our customers, partners and team, who remain the foundation of our continued success.

**Chen Li-Ming, Lawrence**
*Chairman*
Hong Kong, 20 August 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors (the "Board") of Stella International Holdings Limited ("Stella" or the "Company") is pleased to present the interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2026.

## BUSINESS STRATEGIES

Stella is widely known within the footwear industry for its unparalleled product design and commercialisation capabilities, 'artisan level' craftsmanship, uncompromising commitment to quality, speed-to-market, and small batch production flexibility, supported by a broad, diverse, and proven manufacturing base located in Vietnam, the People's Republic of China (the "PRC"), Indonesia, the Philippines and Bangladesh. Over the years, we have provided customers with an all-rounded skillset, integrated and accumulated from developing a broad product base spanning Luxury, high-end Fashion, athleisure and outdoor Sports footwear.

We have adopted a customer-centric business model, delivering premium product development services and tailored manufacturing solutions for each unique design. With a diversified production base, we offer both exceptional quality and added value.

We are also seeking ways in which to apply the same business model in similar business streams that synergise well with the client base of our manufacturing business. In late 2021, we incorporated our earlier acquired handbag and accessories manufacturing business into the Group as we aim to become a total solutions provider for our premium customers.

### Three-Year Plan (2026-2028)

Our current Three-Year Plan (2026-2028) marks the next phase of our long-term growth and margin-expansion strategy. The key initiatives and profitability targets are outlined below.

*Fully leverage our unique strengths and premium product development capabilities to build market leadership, meet evolving customer expectations and capture higher-value opportunities:*

– Strengthen our collaboration with Luxury and high-end Fashion customers, supporting their expansion into new product categories and drive greater innovation across their collections.

– Further deepen our relationships with major global Sports brands and fast-growing Sports and Fashion footwear brands, leveraging our R&D capabilities to develop premium, differentiated and complex products to support their growth, innovation and leadership in athleisure.

*Expand and diversify our manufacturing base to support our future growth and proximity to major markets:*

– Commission and ramp-up three new factories in Indonesia, Vietnam and Bangladesh, while also adding approximately 20 million pairs to our total production capacity over the coming years to meet current and future demand.

– Establish a product development centre in Vietnam to accelerate growth across this core manufacturing hub and support diversification of our production base.

*Transformation of our handbag and accessories manufacturing business:*

– Transform our handbag and accessories manufacturing business into a core growth driver through acquisitions and portfolio diversification, creating new revenue stream and strengthening its competitive differentiation.

*Strengthen cost efficiency and operational excellence:*

– Optimise management, decision-making and cost controls to enhance execution and protect margins.

– Further diversify and expand revenue contribution from outside North America to reduce overall risk.

## Targets for Three-Year Plan (2026-2028)

| |
|---|
| Profit After Tax CAGR[1]: *High-single-digit %* |

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[1] CAGR: Compound Annual Growth Rate

## BUSINESS REVIEW

In the six months ended 30 June 2026, our performance was in line with our expectations, despite heightened geopolitical and economic uncertainties.

We continued to see solid demand for our products, with our diversified manufacturing base remaining a core differentiator, supporting both customer retention and new customer acquisition. Consequently, our non-customer-exclusive manufacturing facilities operated at close to full utilisation. This performance was largely underpinned by strong demand from several Sports customers, alongside front-loaded seasonal volume within the Casual segment. However, our dedicated factories in the PRC for our largest Sports customer experienced operating deleverage as its product mix shifted from export-oriented footwear styles to styles targeted at the domestic PRC market, weighing on our profitability.

2026 is an important investment year for the Group, with the commissioning and ramp-up of our three new factories in Bangladesh, Indonesia and Vietnam progressing on schedule.

The key financial performance indicators of the Company include revenue, gross profit and operating profit. An analysis of these indicators during the six months ended 30 June 2026 is as follows:

### Revenue

Our consolidated revenue for the period under review increased by 1.5% to US$786.7 million (first half of 2025: US$775.1 million). Shipment volumes were flat at 27.5 million pairs (first half of 2025: 27.5 million pairs). The average selling price ("ASP") of our footwear products increased by 1.8% to US$27.9 per pair (first half of 2025: US$27.4 per pair), mainly driven by a higher-ASP product mix within our Sports segment.

In terms of product category, sales in our Sports category increased by 2.6%, accounting for 48.9% of total manufacturing revenue (first half of 2025: 48.5%). Within this segment, reduced shipments to our largest Sports customers were more than offset by volume expansion across our broader Sports customer base, particularly from newly onboarded customers. Revenue attributed to our combined Luxury and Fashion category (made up by Luxury and Fashion brands with products of a similar level of ASP) decreased by 4.8% and accounted for 31.1% of total manufacturing revenue (first half of 2025: 33.2%), with both our Luxury and Fashion customers requesting simpler, lower-ASP styles. Revenue attributed to our Casual category increased by 11.3%, accounting for 20.0% (first half of 2025: 18.3%) of total manufacturing revenue. This growth was primarily driven by a major Casual customer's supplier consolidation, and the front-loading of seasonal production for a certain Casual customer into the period under review prior to the phased shutdown of our footwear factory in the Philippines from July 2026 (see "Outlook" below).

Geographically, North America and Europe are our two largest markets, accounting for 46.2% and 26.9% of the total revenue of the Group during the period under review. Following these, the PRC (including Hong Kong), Asia (other than the PRC) and other geographic regions contributed 14.6%, 9.3% and 3.0% of the Group's total revenue respectively.

Revenue attributed to our handbag and accessories business was US$19.1 million for the period under review (first half of 2025: US$14.1 million) following the integration of the high-end Vietnam facility, acquired in July 2025, into our existing footprint of two manufacturing facilities in Vietnam and the Philippines.

### Gross profit

Our gross profit for the period under review decreased by 8.8% to US$159.8 million, compared to US$175.2 million in the same period of last year. Our gross profit margin for the period under review was 20.3% (first half of 2025: 22.6%). The reduction in gross profit and gross profit margin was attributed to:

(a) increased raw material costs;

(b) operating deleverage at our dedicated factories serving our largest Sports customer in the PRC, resulting from a product mix shift from export-orientated footwear styles to lower-ASP styles targeted at the domestic PRC market; and

(c) increased labour costs and training costs incurred for readying new workers ahead of commencing production at our new factories.

### Operating profit

Our reported operating profit[2] for the period under review decreased by 12.3% to US$74.3 million, compared to US$84.7 million in the same period of last year. Our operating profit margin (before changes in fair value of financial instruments) for the period under review was 9.4% (first half of 2025: 10.9%). The reduction in operating profit and operating profit margin was attributed to:

(a) the decrease in gross profit during the period under review;

(b) higher research and development-related costs associated with the build-out of our new product development capabilities in Vietnam;

(c) increased management overheads, support and infrastructure costs associated with the commissioning of our three new factories in Bangladesh, Indonesia and Vietnam;

(d) severance payments and other costs associated with our decision to commence the phased shutdown of our footwear manufacturing facility in the Philippines starting from July 2026 (see 'Outlook' below); and

(e) investments aimed at strengthening operational performance within our handbag and accessories manufacturing business, alongside higher costs associated with onboarding new customers and expanding the range of styles for both existing and new customers;

as partially offset by

(f) one-off compensation resulting from the sale of land that was previously occupied by two of our closed factories amounting to approximately US$8.9 million.

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2 Reported operating profit is the Group's operating profit before changes in fair value of financial instruments.

### Net results

We recorded a net profit of US$63.6 million during the period under review, compared to US$78.1 million in the same period of last year, including a marked-to-market net fair value loss of US$0.6 million on financial instruments related to our investment in Lanvin Group Holdings Limited ("Lanvin Group") listed on the New York Stock Exchange (first half of 2025: marked-to-market net fair value gain of US$0.2 million).

Therefore, the Group recorded an adjusted net profit[3] of US$64.2 million (first half of 2025: US$77.9 million) and an adjusted net profit[3] margin of 8.2% (first half of 2025: 10.1%).

The reduction in net profit and net profit margin was attributed to:

(a) the decrease in gross profit and operating profit during the period under review;

(b) lower interest income resulting from:

   i. lower interest rates; and

   ii. a reduction in our net cash position due to higher capital expenditures related to the commissioning and ramp-up of our three new factories.

### Healthy net cash position

We maintained our strong focus on managing our working capital usage and cash flow. As of 30 June 2026, our net cash position was US$191.7 million, compared to a net cash position of US$291.3 million as at 30 June 2025, following the final dividend payment for the 2025 financial year and the return of additional cash of approximately US$60 million in May 2026 under our excess cash return program (by way of payment of special dividend). Therefore, the Group's net gearing ratio[4] was -17.6% as at 30 June 2026, compared to -26.6% as at 30 June 2025.

## RECOGNITIONS AND AWARDS

Our sustainability efforts continue to be recognised by distinguished external parties. In early 2026, our MSCI ESG rating was upgraded from 'AA' to 'AAA' by MSCI ESG Research—our third consecutive annual upgrade.

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[3] Adjusted net profit represents the profit for the period excluding any change in the net fair value of the Group's investment in Lanvin Group.

[4] Net gearing ratio = net debt/shareholder equity

## OUTLOOK

Looking ahead, we expect shipment volumes in the 2026 full year to remain broadly flat against the backdrop of heightened geopolitical and economic uncertainties. Forward order visibility remains solid, with our non-customer-exclusive facilities expected to continue operating at close to full utilisation in the second half of 2026. Meanwhile, operating deleverage is expected to persist at our dedicated factories serving our largest Sports customer in the PRC.

2026 is an important investment year under our Three-Year Plan (2026-2028), for both our footwear manufacturing business and our handbag and accessories manufacturing business.

For our footwear manufacturing business, we are confident in our ability to minimise risks associated with the commissioning and orderly ramp-up of our three new factories in Bangladesh, Indonesia and Vietnam. To minimise these ramp-up risks, we brought forward the onboarding of management teams for each of these facilities into the period under review. The factories are expected to come progressively online in the second half of 2026, subject to customer certification and regulatory approvals. We also remain focused on improving capacity utilisation in Solo, Indonesia over the longer term through strengthened management, enhanced operational training and increased automation. Together, these four factories are expected to add approximately 20 million pairs of production capacity over the coming years, although the contribution from the three new factories in 2026 will be modest.

We also continue to invest in our research and development capabilities in Vietnam, including building a new product development hub for all our footwear customers, as well as a dedicated product development centre for a new Sports customer.

We are also taking steps to rationalise our footwear manufacturing footprint to focus our management teams on regions offering stronger long-term returns. In July 2026, after assessing its limited expansion prospects, we commenced a phased shutdown of our smaller-capacity manufacturing operations in the Philippines. Related provisions for severance payments and other associated costs amounting to US$2.5 million have been recognised in our interim results for the six months ended 30 June 2026.

For our handbag and accessories manufacturing business, with the integration of our manufacturing base now going on following our acquisition of a high-end Vietnam facility in 2025, we are also investing to support an expanding customer base and accelerating the development of new product styles to advance our position along the value curve. To further support this progression, we are also building a new R&D centre for handbag business in Vietnam to expand our design and commercialisation capabilities, reinforce our competitive differentiation, and build a stronger platform for long-term growth. Given these development and capability-building activities, we expect this business to remain loss-making in 2026.

We remain committed to returning up to US$60 million of additional cash to shareholders in 2026 through share repurchases and special dividends, following the return of US$120 million additional cash in 2024 and 2025, on top of paying regular dividends with a payout ratio of approximately 70% (comprising final dividends and interim dividends) under our Excess Cash Return Program. Both this planned return of cash and near-term capital expenditure needs are already fully pre-funded within our balance sheet.

## CASH RETURN TO SHAREHOLDERS

As we work towards implementing our strategies, we remain committed to returning profit and providing attractive returns to our shareholders.

The Board has resolved to declare an interim dividend of HK42 cents per ordinary share for the six months ended 30 June 2026, maintaining the Company's normal payout ratio of approximately 70% set against its adjusted net profit[3] of US$64.2 million.

The Group remains committed to returning additional cash up to US$60 million to shareholders in 2026 under our Excess Cash Return Program, through a combination of share repurchases and special dividends, on top of paying regular dividends with a payout ratio of approximately 70%.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2026, the Group had cash and cash equivalents of approximately US$210.2 million (31 December 2025: US$373.3 million; 30 June 2025: US$350.8 million), following the return of additional cash of US$60 million in May 2026 (by way of payment of special dividend) under our excess cash return program.

In the six months ended 30 June 2026, net cash flows used in operations were US$48.4 million, compared to net cash inflows from operations of US$3.9 million for the corresponding period of 2025.

Net cash outflows used in investing activities were US$38.3 million during the period under review (for the six months ended 30 June 2025: US$25.3 million), representing an increase of 51.4%. Capital expenditure amounted to approximately US$63.6 million during the period under review, including US$35.4 million related to the commissioning of our three new factories (for the six months ended 30 June 2025: US$32.6 million).

As at 30 June 2026, the Group had current assets of approximately US$788.0 million (31 December 2025: US$860.7 million) and current liabilities of approximately US$273.7 million (31 December 2025: US$299.0 million). The current ratio (which is calculated on the basis of current assets over current liabilities) was 2.9 as at 30 June 2026 (31 December 2025: 2.9), an indication of the Group's high liquidity and healthy financial position.

## BANK BORROWINGS

The Group had bank borrowings of US$18.5 million as at 30 June 2026 (31 December 2025: US$5.8 million), which are principally denominated in New Taiwan dollars, Hong Kong dollars and U.S. dollars, with an effective interest rate of 1.55% – 5.0%.

The Group maintained a net cash position of US$191.7 million as at 30 June 2026 (31 December 2025: US$367.4 million). Therefore, the Group's net gearing ratio[4] was -17.6% as at 30 June 2026, as compared to -26.6% as at 30 June 2025.

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[3] Adjusted net profit represents the profit for the period excluding any change in the net fair value of the Group's investment in Lanvin Group.

[4] Net gearing ratio = net debt/shareholder equity

## FOREIGN CURRENCY EXPOSURE

During the period under review, the Group's sales were mostly denominated in U.S. dollars, while the purchase of raw materials and operating expenses were mostly denominated in U.S. dollars and RMB. Currency exposures were mostly in RMB and Hong Kong dollars against U.S. dollars, the functional currency of the Group.

## PLEDGE OF ASSETS

As at 30 June 2026, the Group had pledged US$11.0 million of its assets (31 December 2025: US$11.1 million).

## CONTINGENT LIABILITIES

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

## PILLAR TWO INCOME TAXES

The Group is subject to the OECD's Global Pillar Two framework, which introduces a global minimum effective tax rate for multinational enterprises. As jurisdictions in which the Group operates implement the new rules, the Group expects that the application of Pillar Two may affect its overall tax profile and could result in a higher effective tax rate in certain periods. The Group continues to monitor legislative developments and assess their impact across relevant jurisdictions. Given the evolving nature of the regime and the potential for future adjustments, management believes that period-to-period comparison of tax charges arising from the implementation of Pillar Two may not necessarily be indicative of the long-term tax impact on the Group.

## MATERIAL ACQUISITION AND DISPOSAL

During the six months ended 30 June 2026, the Group made no material acquisitions or disposals of subsidiaries, associates or joint ventures.

## SIGNIFICANT INVESTMENT

As at 30 June 2026, the Group did not hold any significant investments with a value of 5% or more of the Group's total assets.

## FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Directors confirmed that, as at the date of this report, there was no plan for any material investment or to acquire capital assets other than those in the Group's ordinary and usual course of business.

## MAJOR CUSTOMERS AND SUPPLIERS

Customers and suppliers are our core stakeholders. We believe their successes are indispensable to our growth. Also, an effective alignment between them is the key to high-performing supply chain competitiveness. Our brand customers evaluate supply chain performance on product commercialisation, quality, on-time delivery and efficiency. The Company consistently places within the top 10 percentile of the vendors' evaluations of our brand customers.

We treasure our alliance with these long-term partners and we will continue to build strategic and fruitful relationships with them to enable continuous improvements in quality, craftsmanship, innovation, speed to market and small-batch production.

## EMPLOYEES

As at 30 June 2026, the Group had approximately 44,700 direct employees (31 December 2025: approximately 45,400) and an overall workforce of approximately 65,300 (31 December 2025: 65,400). Our overall workforce includes both direct employees of the Group and employees indirectly employed by the Group (which refers to workers supplied by contractor companies under labour supply agreements). We cultivate a caring, sharing and learning culture among our employees and believe that human resources are significant assets to the Group's development and expansion. We actively seek to attract, develop and retain individuals who are proactive, positive, committed to and passionate about our business.

The Group has continued to build a strong management team internally through effective learning and promotion programs, including our "Leadership Programme" to identify potential high calibre colleagues, to assess the quality of senior management and ultimately to determine appropriate incentives and other human resources development measures. With a view to recognising and rewarding the contribution of employees, as well as providing incentives to employees in order to retain them for the continual operation and development of the Group and attract suitable personnel for the further development of the Group, the Company has adopted a share option scheme and a share award scheme.

## INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK42 cents per ordinary share for the six months ended 30 June 2026. The interim dividend will be paid to shareholders listed on the register of members of the Company at the close of business on Tuesday, 8 September 2026. It is expected that the interim dividend will be paid on Friday, 18 September 2026. The register of members of the Company will be closed from Friday, 4 September 2026 to Tuesday, 8 September 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend for the six months ended 30 June 2026, all share transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 3 September 2026.

# INDEPENDENT REVIEW REPORT

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**To the board of directors of Stella International Holdings Limited**
*(Incorporated in the Cayman Islands with limited liability)*

## Introduction

We have reviewed the interim financial information set out on pages 13 to 34, which comprises the condensed consolidated statement of financial position of Stella International Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Scope of Review

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

## Conclusion

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

**Ernst & Young**
*Certified Public Accountants*
Hong Kong
20 August 2026

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

*For the six months ended 30 June 2026*

| | Notes | Six months ended 30 June<br>**2026**<br>**US$'000**<br>**(Unaudited)** | <br>2025<br>US$'000<br>(Unaudited) |
|---|---|---|---|
| REVENUE | *4* | **786,672** | 775,074 |
| Cost of sales | | **(626,854)** | (599,916) |
| Gross profit | | **159,818** | 175,158 |
| Other income | | **4,533** | 3,375 |
| Other gains and losses, net | | **6,591** | 3,203 |
| Selling and distribution expenses | | **(19,644)** | (20,336) |
| Administrative expenses | | **(78,379)** | (77,538) |
| Impairment losses of financial assets, net | | **(372)** | (329) |
| Share of profit of a joint venture | | **1,738** | 1,191 |
| Operating profit before changes in fair value of financial instruments | | **74,285** | 84,724 |
| Net fair value gains/(losses) on financial instruments | | **(644)** | 219 |
| Operating profit after changes in fair value of financial instruments | | **73,641** | 84,943 |
| Interest income | | **4,491** | 7,223 |
| Interest expense | | **(424)** | (297) |
| PROFIT BEFORE TAX | *5* | **77,708** | 91,869 |
| Income tax expense | *6* | **(14,122)** | (13,752) |
| PROFIT FOR THE PERIOD | | **63,586** | 78,117 |
| **OTHER COMPREHENSIVE INCOME/(LOSS)** | | | |
| *Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:* | | | |
| Exchange differences on translation of foreign operations | | **6,852** | (265) |
| OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX | | **6,852** | (265) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | **70,438** | 77,852 |
| Profit for the period attributable to: | | | |
| Owners of the parent | | **64,040** | 78,633 |
| Non-controlling interests | | **(454)** | (516) |
| | | **63,586** | 78,117 |
| Total comprehensive income for the period attributable to: | | | |
| Owners of the parent | | **70,892** | 78,377 |
| Non-controlling interests | | **(454)** | (525) |
| | | **70,438** | 77,852 |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT | *8* | | |
| – Basic for profit for the period (in US cents) | | **7.8** | 9.5 |
| (equivalent to HK cents) | | **60.9** | 74.3 |
| – Diluted for profit for the period (in US cents) | | **7.6** | 9.3 |
| (equivalent to HK cents) | | **59.8** | 73.1 |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*30 June 2026*

| | Notes | 30 June 2026 US$'000 (Unaudited) | 31 December 2025 US$'000 (Audited) |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | *9* | **459,569** | 428,402 |
| Investment properties | | **603** | 974 |
| Right-of-use assets | | **71,225** | 77,615 |
| Goodwill | | **2,013** | 2,013 |
| Investment in a joint venture | | **53,307** | 51,569 |
| Investments in associates | | **–** | – |
| Financial assets at fair value through profit or loss | *11* | **1,717** | 2,363 |
| Pledged deposits | | **6,033** | 5,953 |
| Deposits for acquisition of property, plant and equipment and leasehold land | | **10,140** | 10,471 |
| Total non-current assets | | **604,607** | 579,360 |
| **CURRENT ASSETS** | | | |
| Inventories | | **223,040** | 217,428 |
| Trade receivables | *10* | **312,141** | 234,153 |
| Prepayments, deposits and other receivables | | **42,635** | 35,825 |
| Financial assets at fair value through profit or loss | *11* | **15** | 13 |
| Cash and cash equivalents | | **210,206** | 373,273 |
| Total current assets | | **788,037** | 860,692 |
| **CURRENT LIABILITIES** | | | |
| Trade payables | *12* | **89,712** | 96,943 |
| Other payables and accruals | *13* | **91,580** | 131,667 |
| Interest-bearing bank borrowings | *14* | **15,577** | 2,324 |
| Lease liabilities | | **3,042** | 3,400 |
| Tax payable | | **73,756** | 64,678 |
| Total current liabilities | | **273,667** | 299,012 |
| **NET CURRENT ASSETS** | | **514,370** | 561,680 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **1,118,977** | 1,141,040 |
| **NON-CURRENT LIABILITIES** | | | |
| Interest-bearing bank borrowings | *14* | **2,930** | 3,510 |
| Lease liabilities | | **5,388** | 7,100 |
| Deferred tax liabilities | | **20,706** | 19,987 |
| Total non-current liabilities | | **29,024** | 30,597 |
| Net assets | | **1,089,953** | 1,110,443 |
| **EQUITY** | | | |
| Equity attributable to owners of the parent | | | |
| Share capital | *15* | **10,796** | 10,742 |
| Share premium and reserves | | **1,065,619** | 1,085,709 |
| | | **1,076,415** | 1,096,451 |
| Non-controlling interests | | **13,538** | 13,992 |
| Total equity | | **1,089,953** | 1,110,443 |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the six months ended 30 June 2026*

| | | Attributable to owners of the parent | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Note | Share capital US$'000 (unaudited) | Share premium US$'000 (unaudited) | Merger reserve US$'000 (unaudited) | Capital reserve US$'000 (unaudited) | Exchange reserve US$'000 (unaudited) | Shares held for share award scheme US$'000 (unaudited) | Capital redemption reserve US$'000 (unaudited) | Share option reserve US$'000 (unaudited) | Retained profits US$'000 (unaudited) | Sub-total US$'000 (unaudited) | Non-controlling interests US$'000 (unaudited) | Total US$'000 (unaudited) |
| At 1 January 2026 | | 10,742 | 217,340* | 38,170* | 1,146* | (35,474)* | (2,722)* | 190* | 4,898* | 862,161* | 1,096,451 | 13,992 | 1,110,443 |
| Profit for the period | | – | – | – | – | – | – | – | – | 64,040 | 64,040 | (454) | 63,586 |
| Other comprehensive income for the period: | | | | | | | | | | | | | |
| Exchange differences on translation of foreign operations | | – | – | – | – | 6,852 | – | – | – | – | 6,852 | – | 6,852 |
| Total comprehensive income for the period | | – | – | – | – | 6,852 | – | – | – | 64,040 | 70,892 | (454) | 70,438 |
| Equity-settled share option arrangements | | – | – | – | – | – | – | – | 44 | – | 44 | – | 44 |
| Issue of shares upon exercise of share options | | 54 | 4,579 | – | – | – | – | – | (410) | – | 4,223 | – | 4,223 |
| Disposal of shares held for share award scheme | | – | – | – | – | – | 2,722 | – | – | 2,235 | 4,957 | – | 4,957 |
| Dividends | 7 | – | – | – | – | – | – | – | – | (100,152) | (100,152) | – | (100,152) |
| At 30 June 2026 | | 10,796 | 221,919* | 38,170* | 1,146* | (28,622)* | –* | 190* | 4,532* | 828,284* | 1,076,415 | 13,538 | 1,089,953 |

*For the six months ended 30 June 2025*

| | | Attributable to owners of the parent | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Note | Share capital US$'000 (unaudited) | Share premium US$'000 (unaudited) | Merger reserve US$'000 (unaudited) | Capital reserve US$'000 (unaudited) | Exchange reserve US$'000 (unaudited) | Shares held for share award scheme US$'000 (unaudited) | Capital redemption reserve US$'000 (unaudited) | Share option reserve US$'000 (unaudited) | Retained profits US$'000 (unaudited) | Sub-total US$'000 (unaudited) | Non-controlling interests US$'000 (unaudited) | Total US$'000 (unaudited) |
| At 1 January 2025 | | 10,546 | 197,613 | 38,841 | 1,146 | (44,453) | (2,722) | 190 | 7,698 | 893,357 | 1,102,216 | 15,323 | 1,117,539 |
| Profit for the period | | – | – | – | – | – | – | – | – | 78,633 | 78,633 | (516) | 78,117 |
| Other comprehensive loss for the period: | | | | | | | | | | | | | |
| Exchange differences on translation of foreign operations | | – | – | – | – | (256) | – | – | – | – | (256) | (9) | (265) |
| Total comprehensive income for the period | | – | – | – | – | (256) | – | – | – | 78,633 | 78,377 | (525) | 77,852 |
| Equity-settled share option arrangements | | – | – | – | – | – | – | – | 175 | – | 175 | – | 175 |
| Issue of shares upon exercise of share options | | 158 | 15,930 | – | – | – | – | – | (2,491) | – | 13,597 | – | 13,597 |
| Dividends | 7 | – | – | – | – | – | – | – | – | (113,186) | (113,186) | – | (113,186) |
| At 30 June 2025 | | 10,704 | 213,543 | 38,841 | 1,146 | (44,709) | (2,722) | 190 | 5,382 | 858,804 | 1,081,179 | 14,798 | 1,095,977 |

* These reserve accounts comprise the consolidated share premium and reserves of US$1,065,619,000 (31 December 2025: US$1,085,709,000) in the interim condensed consolidated statement of financial position.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

*For the six months ended 30 June 2026*

| | Notes | Six months ended 30 June<br>**2026**<br>**US$'000**<br>**(Unaudited)** | <br>2025<br>US$'000<br>(Unaudited) |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Profit before tax | | **77,708** | 91,869 |
| Interest income | | **(4,491)** | (7,223) |
| Depreciation of property, plant and equipment | *5* | **26,980** | 24,436 |
| Depreciation of investment properties | *5* | **406** | 385 |
| Depreciation of right-of-use assets | *5* | **3,334** | 3,277 |
| Impairment losses of financial assets, net | | **372** | 329 |
| Gain on disposal of subsidiaries | *5* | **(8,897)** | – |
| Other adjustments | | **(585)** | 406 |
| Operating profit before changes in working capital | | **94,827** | 113,479 |
| Changes in working capital | | **(138,697)** | (106,301) |
| Other operating cash flows | | **(4,512)** | (3,272) |
| **Net cash flows from/(used in) operating activities** | | **(48,382)** | 3,906 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Interest received | | **4,491** | 7,223 |
| Purchases of items of property, plant and equipment | | **(63,128)** | (32,516) |
| Deposit paid for acquisition of items of property, plant and equipment | | **(512)** | (62) |
| Proceeds from disposal of subsidiaries | | **20,861** | – |
| Proceeds from disposal of items of property, plant and equipment | | **25** | 171 |
| Placement of pledged time deposits | | **(80)** | (80) |
| **Net cash flows used in investing activities** | | **(38,343)** | (25,264) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| New bank loans | | **70,302** | 107,010 |
| Repayment of bank loans | | **(57,577)** | (54,567) |
| Dividends paid | | **(100,152)** | (113,186) |
| Interest paid | | **(238)** | (179) |
| Principal portion of lease payments | | **(1,598)** | (1,606) |
| Proceeds from issue of shares upon exercise of share options | | **4,223** | 13,597 |
| Proceeds from disposal of shares under share awards scheme | | **4,957** | – |
| **Net cash flows used in financing activities** | | **(80,083)** | (48,931) |
| **NET DECREASE IN CASH AND CASH EQUIVALENTS** | | **(166,808)** | (70,289) |
| Cash and cash equivalents at beginning of period | | **373,273** | 423,547 |
| Effect of foreign exchange rate changes, net | | **3,741** | (2,472) |
| **CASH AND CASH EQUIVALENTS AT END OF PERIOD** | | **210,206** | 350,786 |
| **ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS** | | | |
| Cash and bank balances | | **147,990** | 93,746 |
| Non-pledged time deposits | | **62,216** | 257,040 |
| **Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position** | | **210,206** | 350,786 |

# NOTES TO INTERIM 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 the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Accounting Standard 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants.

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.

This interim condensed consolidated financial information has been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, which have been measured at fair value. This unaudited interim condensed consolidated financial information is presented in the United States dollars ("US$") and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

| | |
|---|---|
| Amendments to HKFRS 9 and HKFRS 7 | *Amendments to the Classification and Measurement of Financial Instruments* |
| Amendments to HKFRS 9 and HKFRS 7 | *Contracts Referencing Nature-dependent Electricity* |
| *Annual Improvements to HKFRS Accounting Standards – Volume 11* | Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 |

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

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to HKFRS Accounting Standards – Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

During the year ended 31 December 2025, for management purposes, the Group was organised into business units based on their products and had two reportable operating segments as follows:

- the manufacturing segment engages in the sale and manufacturing of footwear and handbag
- the retailing and wholesaling segment engages in the sale of products of self-developed brands

Effective from the year of 2026, the Group revised the composition of its operating segment(s) to align with changes made in the manner the Chief Operating Decision Maker ("CODM") reviews the Group's operating results. The CODM now assesses the Group's performance as a whole as a result of the retailing and wholesaling segment becoming less significant relative to the overall business of the Group. Accordingly, the corresponding segment information for the six months ended 30 June 2025 has been re-presented. Since 1 January 2026, the Group has only one reportable operating segment and no segment information is presented.

## 4. REVENUE

An analysis of revenue is as follows:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **US$'000** | US$'000 |
| | **(Unaudited)** | (Unaudited) |
| Revenue from contracts with customers | **786,672** | 775,074 |

**Disaggregated revenue information for revenue from contracts with customers**

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **US$'000** | US$'000 |
| | **(Unaudited)** | (Unaudited) |
| **Types of goods** | | |
| Sales of footwear and handbag | **786,672** | 775,074 |
| **Geographical markets** | | |
| The People's Republic of China (the "PRC") | **114,543** | 119,990 |
| Asia (other than the PRC) | **73,520** | 69,743 |
| Europe | **211,464** | 181,314 |
| North America | **363,393** | 377,120 |
| Others | **23,752** | 26,907 |
| **Total** | **786,672** | 775,074 |
| **Timing of revenue recognition** | | |
| Goods transferred at a point in time | **786,672** | 775,074 |

## 5. PROFIT BEFORE TAX

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

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **US$'000** | US$'000 |
| | **(Unaudited)** | (Unaudited) |
| Cost of inventories sold | **627,999** | 599,644 |
| Depreciation of property, plant and equipment | **26,980** | 24,436 |
| Depreciation of investment properties | **406** | 385 |
| Depreciation of right-of-use assets | **3,334** | 3,277 |
| Severance payments and other related costs | **2,528** | 4 |
| Provision/(write back of provision) against inventories, net | **(1,145)** | 272 |
| Bank interest income | **(4,289)** | (7,014) |
| Interest income from financial assets at fair value through profit or loss | **(202)** | (209) |
| Losses on disposal of items of property, plant and equipment | **95** | 1,073 |
| Gain on disposal of subsidiaries | **(8,897)** | – |
| Foreign exchange differences, net | **2,211** | (4,276) |

## 6. INCOME TAX

Tax on profits assessable in Mainland China has been calculated at the applicable PRC corporate income tax rate of 25% (2025: 25%) during the six months ended 30 June 2026.

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 six months ended 30 June 2026, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025: 16.5%).

Macau Complementary Tax has been provided at the rate of 12% (2025: 12%) on the assessable profits arising in Macau during the six months ended 30 June 2026.

As approved by the relevant tax authorities in Vietnam, certain subsidiaries of the Company are entitled to the exemption from income taxes for two to four years followed by four to nine years of a 50% tax reduction based on preferential income tax rates, commencing from the first profitable year. The applicable tax rates for the subsidiaries in Vietnam range from nil to 20% for the six months ended 30 June 2025 and 2026.

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **US$'000** | US$'000 |
| | **(Unaudited)** | (Unaudited) |
| Current | | |
| Charge for the period: | | |
| – PRC | **4,421** | 1,961 |
| – Macau | **3,977** | 3,997 |
| – Elsewhere | **2,263** | 1,236 |
| Pillar Two income taxes | **2,743** | 4,948 |
| | **13,404** | 12,142 |
| Deferred tax | **718** | 1,610 |
| Total | **14,122** | 13,752 |

## 7. DIVIDENDS

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **US$'000** | US$'000 |
| | **(Unaudited)** | (Unaudited) |
| Final dividend – HK37 cents (2025: HK50 cents) per ordinary share | **39,846** | 53,390 |
| Special dividend – HK56 cents (2025: HK56 cents) per ordinary share | **60,306** | 59,796 |
| | **100,152** | 113,186 |

On 20 August 2026, the board of directors (the "Board") declared an interim dividend of HK42 cents per ordinary share, amounting to approximately US$45,212,000.

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

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares, excluding a pool of shares maintained by a trustee as disclosed in note 16, of 824,807,517 (six months ended 30 June 2025: 830,294,950) outstanding during the period.

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

The calculations of basic and diluted earnings per share are based on:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **US$'000** | US$'000 |
| | **(Unaudited)** | (Unaudited) |
| Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation | **64,040** | 78,633 |

| | Number of shares Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| **Shares** | | |
| Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation | **824,807,517** | 830,294,950 |
| Effect of dilution – weighted average number of ordinary shares: | | |
| Share options | **14,526,545** | 14,244,374 |
| Total | **839,334,062** | 844,539,324 |

## 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at a cost of US$63,971,000 (2025: US$32,607,000).

Assets with a net book value of US$120,000 were disposed of by the Group during the six months ended 30 June 2026 (2025: US$1,244,000), resulting in a net loss on disposal of US$95,000 (2025: US$1,073,000).

## 10. TRADE RECEIVABLES

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

| | **30 June 2026 US$'000 (Unaudited)** | 31 December 2025 US$'000 (Audited) |
|---|---|---|
| Within 1 month | **155,393** | 101,185 |
| 1 to 2 months | **93,952** | 86,629 |
| 2 to 3 months | **50,082** | 42,130 |
| 3 to 6 months | **12,714** | 4,209 |
| Total | **312,141** | 234,153 |

The Group's trading terms with its customers are mainly on credit. The standard payment terms are generally 30 days and selected customers up to 90 days.

Included in the Group's gross trade receivables, there is amount due from an associate of US$42,914,000 (31 December 2025: US$42,108,000), with a provision of expected credit losses amounting to US$42,570,000 (31 December 2025: US$41,610,000), which is repayable on credit terms similar to those offered to the major customers of the Group.

## 11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | *Note* | **30 June 2026 US$'000 (Unaudited)** | 31 December 2025 US$'000 (Audited) |
|---|---|---|---|
| Listed equity investment, at fair value | *(a)* | **1,717** | 2,363 |
| Listed debt investment, at fair value | | **15** | 13 |
| Total | | **1,732** | 2,376 |
| Non-current assets | | **1,717** | 2,363 |
| Current assets | | **15** | 13 |
| Total | | **1,732** | 2,376 |

The above listing investments were classified as financial assets at fair value through profit or loss as they were held for trading.

*Note:*

(a) As at 30 June 2026, the Group holds 1,175,790 (31 December 2025: 1,175,790) shares of a company, which was listed on the New York Stock Exchange.

The investments were classified as financial assets at fair value through profit or loss and measured at fair value at initial recognition at the end of the reporting period. During the six months ended 30 June 2026, fair value loss of US$646,000 (six months ended 30 June 2025: fair value gain of US$212,000) was recognised in profit or loss.

## 12. TRADE PAYABLES

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

| | 30 June 2026 US$'000 (Unaudited) | 31 December 2025 US$'000 (Audited) |
|---|---|---|
| Within 1 month | **80,402** | 78,795 |
| 1 to 2 months | **5,399** | 11,446 |
| Over 2 months | **3,911** | 6,702 |
| Total | **89,712** | 96,943 |

Included in the trade payables are trade payables of US$45,038,000 (31 December 2025: US$38,960,000) due to a joint venture which are repayable within 90 days and have credit terms similar to those offered by the joint venture to its major customers.

Trade payables are non-interest-bearing and are normally settled on a credit term of 60 days.

## 13. OTHER PAYABLES AND ACCRUALS

| | *Note* | 30 June 2026 US$'000 (Unaudited) | 31 December 2025 US$'000 (Audited) |
|---|---|---|---|
| Other payables | *(a)* | **23,533** | 49,658 |
| Accruals | | **68,047** | 82,009 |
| Total | | **91,580** | 131,667 |

*Note:*

(a) Other payables are non-interest-bearing and have an average credit term of 90 days.

## 14. INTEREST-BEARING BANK BORROWINGS

| | 30 June 2026 (Unaudited) | | | 31 December 2025 (Audited) | | |
|---|---|---|---|---|---|---|
| | Effective interest rate (%) | Maturity | US$'000 | Effective interest rate (%) | Maturity | US$'000 |
| **Current** | | | | | | |
| Bank loans – secured | **1.55-5.00** | **2026-2027** | **15,577** | 1.11-5.00 | 2026 | 2,324 |
| **Non-current** | | | | | | |
| Bank loans – secured | **1.55-5.00** | **2028** | **2,930** | 1.11-5.00 | 2027-2028 | 3,510 |
| | | | **18,507** | | | 5,834 |

*Notes:*

(a) As at 30 June 2026, bank borrowings of US$12,754,000 (31 December 2025: Nil) are denominated in Hong Kong dollar, US$1,753,000 (31 December 2025: US$1,834,000) are denominated in New Taiwan dollar and US$4,000,000 (31 December 2025: US$4,000,000) are denominated in US$.

(b) The Group's bank borrowings are secured by mortgages over the Group's freehold land, buildings and pledged deposits, which had aggregate carrying values at the end of the reporting period of approximately US$3,479,000, US$1,508,000 and US$6,033,000 (31 December 2025: US$3,547,000, US$1,556,000 and US$5,953,000), respectively.

## 15. SHARE CAPITAL

| | **30 June 2026 US$'000 (Unaudited)** | 31 December 2025 US$'000 (Audited) |
|---|---|---|
| Authorised: | | |
| 5,000,000,000 ordinary shares of HK$0.1 each | **63,975** | 63,975 |
| Issued and fully paid: | | |
| 844,011,500 (31 December 2025: 839,726,500) ordinary shares of HK$0.1 each | **10,796** | 10,742 |

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

| | **Number of shares in issue** | **Share capital US$'000** |
|---|---|---|
| At 1 January 2025 | 824,611,500 | 10,546 |
| Share options exercised *(Note (a))* | 15,115,000 | 196 |
| At 31 December 2025 and 1 January 2026 | 839,726,500 | 10,742 |
| Share options exercised *(Note (b))* | 4,285,000 | 54 |
| At 30 June 2026 | 844,011,500 | 10,796 |

*Notes:*

(a) During the year ended 31 December 2025, the subscription rights attaching to 15,115,000 share options were exercised at the subscription prices of HK$7.65 to HK$9.46 per share (note 16), resulting in the issue of 15,115,000 shares for a total cash consideration, before expenses, of US$16,845,000. Amounts of US$196,000 and US$19,727,000 were transferred from the share option reserve to share capital and share premium upon the exercise of the share options.

(b) During the six months ended 30 June 2026, the subscription rights attaching to 4,285,000 share options were exercised at the subscription prices of HK$7.65 to HK$9.46 per share (note 16), resulting in the issue of 4,285,000 shares for a total cash consideration, before expenses, of US$4,223,000. Amounts of US$54,000 and US$4,579,000 were transferred from the share option reserve to share capital and share premium upon the exercise of the share options.

## 16. SHARE-BASED PAYMENTS TRANSACTIONS

### Long term incentive scheme

Pursuant to the terms of a long term incentive scheme approved by the Shareholders in 2007 which had expired in 2017 (the "2007 Scheme"), the Company has entered into an engagement agreement (the "Engagement Agreement") and a deed of settlement (the "Deed") dated 2 June 2008 and 27 August 2008 respectively with a trustee (the "Trustee") for the administration by the Trustee of the awards of restricted unit awards under the 2007 Scheme. The Engagement Agreement and the Deed were subsequently terminated with effect from 15 July 2013. As at 1 January 2026, the Trustee maintained a pool of 1,578,000 shares (the "Entrusted Shares"). During the six months ended 30 June 2026, all the remaining 1,578,000 Entrusted Shares were sold. As at 30 June 2026, the Trustee had not maintained any Entrusted Shares (31 December 2025: 1,578,000 shares).

16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

**Share award scheme**

On 16 March 2017, the Company adopted a share award plan pursuant to which shares of the Company may be awarded to selected eligible participants, including, among others, any employee of, non-executive director of, supplier of goods or services to, customer of, person or entity providing design, research, development or other technological support to, shareholder of, holder of any security issued by, and adviser or consultant in respect of any area of business or business development of any member of the Group or any entity in which any member of the Group holds any equity interest, and any other groups or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group. Pursuant to a resolution passed by the Board, with effect from the conclusion of the annual general meeting held on 9 May 2024, a new share award scheme (the "Share Award Scheme") was adopted to replace the share award plan adopted in 2017. The Share Award Scheme became effective immediately on 9 May 2024 and, unless otherwise terminated or amended, shall remain in force for 10 years from that date.

During the six months ended 30 June 2026, and up to the date of approval of this interim financial information, no shares were purchased or granted under the Share Award Scheme.

**Share option scheme**

On 19 May 2017, the Company adopted a share option scheme (the "2017 Scheme"), pursuant to which options may be granted to selected participants, including, among others, any employee of, non-executive director of, supplier of goods or services to, customer of, person or entity providing design, research, development or other technological support to, shareholder of, holder of any security issued by, and adviser or consultant in respect of any area of business or business development of any member of the Group or any entity in which any member of the Group holds any equity interest, and any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group. The 2017 Scheme became effective immediately on 19 May 2017 and, unless otherwise terminated or amended, shall remain in force for 10 years from that date.

The total number of shares which may be issued upon exercise of all options to be granted under the 2017 Scheme and any other share option scheme of the Group must not in aggregate exceed 79,437,950 shares, representing 10% of the shares in issue as at the effective date of the 2017 Scheme.

The maximum number of shares issuable under share options to each eligible participant in the 2017 Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by all 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 to any of their associates, in excess of 0.1% of the shares of the Company in issue at the date of offer, with an aggregate value (based on the price of the Company's shares at the date of offer) in excess of HK$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of offer. The exercise period of the share options granted is determinable by the directors, and commences after the date upon which the offer for the grant of options is accepted but not later than ten years from the date of offer of the share options.

The exercise price of share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the 5 trading days immediately preceding the date of offer; and (iii) the nominal value of the shares.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options. The Group accounts for the 2017 Scheme as an equity-settled plan.

16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

**Share option scheme** (continued)

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

On 15 April 2020, 26 November 2020, 19 March 2021, 3 January 2022 and 17 March 2023, a total of 2,700,000 share options (the "April 2020 share options"), a total of 17,163,000 share options (the "November 2020 share options"), a total of 19,695,000 share options (the "March 2021 share options"), a total of 19,740,000 share options (the "January 2022 share options") and a total of 19,760,000 share options (the "March 2023 share options") were granted, respectively under the 2017 Scheme.

Details of the share options granted and outstanding under the 2017 Scheme during the period were as follows:

**April 2020 share options**

| | Share options | Date of grant | Exercise price HK$ | Vesting date | Exercise period | Outstanding as at 1.1.2025 (Audited) | Exercised during the prior year (Audited) | Outstanding as at 31.12.2025 (Audited) | Exercised during the period (Unaudited) | Outstanding as at 30.6.2026 (Unaudited) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Employee** | 2020-B | 15.4.2020 | 8.71 | 18.3.2022 | 18.3.2022 to 5.7.2027 | 335,500 | (335,500) | – | – | – |
| | 2020-C | 15.4.2020 | 8.71 | 17.3.2023 | 17.3.2023 to 5.7.2027 | 900,000 | (693,000) | 207,000 | – | 207,000 |
| Total | | | | | | 1,235,500 | (1,028,500) | 207,000 | – | 207,000 |
| Exercisable at the end of the year/period | | | | | | 1,235,500 | | 207,000 | | 207,000 |
| Weighted average exercise price (HK$ per share)* | | | | | | 8.71 | 8.71 | 8.71 | | 8.71 |

* The exercise price of the share options is subject to adjustment in the case of changes in the Company's share capital.

During the six months ended 30 June 2026, no share option expense was recognised (2025: Nil).

During the six months ended 30 June 2026, no (31 December 2025: 1,028,500) share options were exercised resulting in no issuance of ordinary shares of the Company and no increase in share capital (before issue expenses), as further detailed in note 15 to the interim condensed consolidated financial information.

Subsequent to the six months ended 30 June 2026 and up to the date of approval of this interim financial information, no share option lapsed or were exercised.

## 16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

### Share option scheme (continued)

Details of the share options granted and outstanding under the 2017 Scheme were as follows: (continued)

### November 2020 share options

| | Share options | Date of grant | Exercise price HK$ | Vesting date | Exercise period | Outstanding as at 1.1.2025 (Audited) | Exercised during the prior year (Audited) | Outstanding as at 31.12.2025 (Audited) | Exercised during the period (Unaudited) | Outstanding as at 30.6.2026 (Unaudited) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Directors:** | | | | | | | | | | |
| Mr. Chi Lo-Jen | 2020-A | 26.11.2020 | 9.15 | 26.11.2021 | 26.11.2021 to 25.11.2030 | 316,500 | – | 316,500 | – | 316,500 |
| | 2020-B | 26.11.2020 | 9.15 | 26.11.2022 | 26.11.2022 to 25.11.2030 | 316,500 | – | 316,500 | – | 316,500 |
| | 2020-C | 26.11.2020 | 9.15 | 26.11.2023 | 26.11.2023 to 25.11.2030 | 316,500 | – | 316,500 | – | 316,500 |
| Mr. Chiang Yi-Min, Harvey | 2020-A | 26.11.2020 | 9.15 | 26.11.2021 | 26.11.2021 to 25.11.2030 | 226,500 | – | 226,500 | – | 226,500 |
| | 2020-B | 26.11.2020 | 9.15 | 26.11.2022 | 26.11.2022 to 25.11.2030 | 226,500 | – | 226,500 | – | 226,500 |
| | 2020-C | 26.11.2020 | 9.15 | 26.11.2023 | 26.11.2023 to 25.11.2030 | 226,500 | – | 226,500 | – | 226,500 |
| Mr. Gillman Christopher Charles | 2020-A | 26.11.2020 | 9.15 | 26.11.2021 | 26.11.2021 to 25.11.2030 | 226,500 | (226,500) | – | – | – |
| | 2020-B | 26.11.2020 | 9.15 | 26.11.2022 | 26.11.2022 to 25.11.2030 | 226,500 | (226,500) | – | – | – |
| | 2020-C | 26.11.2020 | 9.15 | 26.11.2023 | 26.11.2023 to 25.11.2030 | 226,500 | (226,500) | – | – | – |
| | | | | | | 2,308,500 | (679,500) | 1,629,000 | – | 1,629,000 |
| **Employees** | 2020-A | 26.11.2020 | 9.15 | 26.11.2021 | 26.11.2021 to 25.11.2030 | 727,000 | (327,000) | 400,000 | – | 400,000 |
| | 2020-B | 26.11.2020 | 9.15 | 26.11.2022 | 26.11.2022 to 25.11.2030 | 940,500 | (377,500) | 563,000 | – | 563,000 |
| | 2020-C | 26.11.2020 | 9.15 | 26.11.2023 | 26.11.2023 to 25.11.2030 | 1,055,500 | (468,000) | 587,500 | – | 587,500 |
| | | | | | | 2,723,000 | (1,172,500) | 1,550,500 | – | 1,550,500 |
| Total | | | | | | 5,031,500 | (1,852,000) | 3,179,500 | – | 3,179,500 |
| Exercisable at the end of the year/period | | | | | | 5,031,500 | | 3,179,500 | | 3,179,500 |
| Weighted average exercise price (HK$ per share)* | | | | | | 9.15 | 9.15 | 9.15 | | 9.15 |

* The exercise price of the share options is subject to adjustment in the case of changes in the Company's share capital.

During the six months ended 30 June 2026, no share option expense was recognised (2025: Nil).

During the six months ended 30 June 2026, no (31 December 2025: 1,852,000) share options were exercised resulting in no issuance of ordinary shares of the Company and no increase in share capital (before issue expenses), as further detailed in note 15 to the interim condensed consolidated financial information.

Subsequent to the six months ended 30 June 2026 and up to the date of approval of this interim financial information, no share options lapsed or were exercised.

## 16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

### Share option scheme (continued)

Details of the share options granted and outstanding under the 2017 Scheme were as follows: (continued)

### March 2021 share options

| | Share options | Date of grant | Exercise price HK$ | Vesting date | Exercise period | Outstanding as at 1.1.2025 (Audited) | Exercised during the prior year (Audited) | Outstanding as at 31.12.2025 (Audited) | Exercised during the period (Unaudited) | Outstanding as at 30.6.2026 (Unaudited) |
|---|---|---|---|---|---|---|---|---|---|---|
| **Directors:** | | | | | | | | | | |
| Mr. Chi Lo-Jen | 2021-A | 19.3.2021 | 9.46 | 19.3.2022 | 19.3.2022 to 18.3.2031 | 500,000 | – | 500,000 | – | 500,000 |
| | 2021-B | 19.3.2021 | 9.46 | 19.3.2023 | 19.3.2023 to 18.3.2031 | 500,000 | – | 500,000 | – | 500,000 |
| | 2021-C | 19.3.2021 | 9.46 | 19.3.2024 | 19.3.2024 to 18.3.2031 | 500,000 | – | 500,000 | – | 500,000 |
| Mr. Chiang Yi-Min, Harvey | 2021-A | 19.3.2021 | 9.46 | 19.3.2022 | 19.3.2022 to 18.3.2031 | 400,000 | – | 400,000 | – | 400,000 |
| | 2021-B | 19.3.2021 | 9.46 | 19.3.2023 | 19.3.2023 to 18.3.2031 | 400,000 | – | 400,000 | – | 400,000 |
| | 2021-C | 19.3.2021 | 9.46 | 19.3.2024 | 19.3.2024 to 18.3.2031 | 400,000 | – | 400,000 | – | 400,000 |
| Mr. Gillman Christopher Charles | 2021-A | 19.3.2021 | 9.46 | 19.3.2022 | 19.3.2022 to 18.3.2031 | 150,000 | (150,000) | – | – | – |
| | 2021-B | 19.3.2021 | 9.46 | 19.3.2023 | 19.3.2023 to 18.3.2031 | 150,000 | (150,000) | – | – | – |
| | 2021-C | 19.3.2021 | 9.46 | 19.3.2024 | 19.3.2024 to 18.3.2031 | 150,000 | (150,000) | – | – | – |
| | | | | | | 3,150,000 | (450,000) | 2,700,000 | – | 2,700,000 |
| **Employees** | 2021-A | 19.3.2021 | 9.46 | 19.3.2022 | 19.3.2022 to 18.3.2031 | 995,000 | (110,000) | 885,000 | (15,000) | 870,000 |
| | 2021-B | 19.3.2021 | 9.46 | 19.3.2023 | 19.3.2023 to 18.3.2031 | 1,228,000 | (343,000) | 885,000 | (15,000) | 870,000 |
| | 2021-C | 19.3.2021 | 9.46 | 19.3.2024 | 19.3.2024 to 18.3.2031 | 1,739,500 | (804,500) | 935,000 | (15,000) | 920,000 |
| | | | | | | 3,962,500 | (1,257,500) | 2,705,000 | (45,000) | 2,660,000 |
| Total | | | | | | 7,112,500 | (1,707,500) | 5,405,000 | (45,000) | 5,360,000 |
| Exercisable at the end of the year/period | | | | | | 7,112,500 | | 5,405,000 | | 5,360,000 |
| Weighted average exercise price (HK$ per share)* | | | | | | 9.46 | 9.46 | 9.46 | 9.46 | 9.46 |

* The exercise price of the share options is subject to adjustment in the case of changes in the Company's share capital.

During the six months ended 30 June 2026, no share option expense was recognised (2025: Nil).

During the six months ended 30 June 2026, 45,000 (31 December 2025: 1,707,500) share options were exercised resulting in the issue of 45,000 ordinary shares of the Company and an increase in share capital of US$600 (before issue expenses), as further detailed in note 15 to the interim condensed consolidated financial information.

The weighted average share price at the date of exercise for share options exercised during the six months ended 30 June 2026 was HK$14.24 per share.

Subsequent to the six months ended 30 June 2026 and up to the date of approval of this interim financial information, no share option lapsed or were exercised.

16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

**Share option scheme** (continued)

Details of the share options granted and outstanding under the 2017 Scheme were as follows: (continued)

**January 2022 share options**

| | Share options | Date of grant | Exercise price HK$ | Vesting date | Exercise period | Outstanding as at 1.1.2025 (Audited) | Exercised during the prior year (Audited) | Forfeited/ lapsed during the prior year (Audited) | Outstanding as at 31.12.2025 (Audited) | Exercised during the period (Unaudited) | Outstanding as at 30.6.2026 (Unaudited) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Directors:** | | | | | | | | | | | |
| Mr. Chi Lo-Jen | 2022-A | 3.1.2022 | 9.10 | 3.1.2023 | 3.1.2023 to 2.1.2032 | 500,000 | – | – | 500,000 | – | 500,000 |
| | 2022-B | 3.1.2022 | 9.10 | 3.1.2024 | 3.1.2024 to 2.1.2032 | 500,000 | – | – | 500,000 | – | 500,000 |
| | 2022-C | 3.1.2022 | 9.10 | 3.1.2025 | 3.1.2025 to 2.1.2032 | 500,000 | – | – | 500,000 | – | 500,000 |
| Mr. Chiang Yi-Min, Harvey | 2022-A | 3.1.2022 | 9.10 | 3.1.2023 | 3.1.2023 to 2.1.2032 | 400,000 | – | – | 400,000 | – | 400,000 |
| | 2022-B | 3.1.2022 | 9.10 | 3.1.2024 | 3.1.2024 to 2.1.2032 | 400,000 | – | – | 400,000 | – | 400,000 |
| | 2022-C | 3.1.2022 | 9.10 | 3.1.2025 | 3.1.2025 to 2.1.2032 | 400,000 | – | – | 400,000 | – | 400,000 |
| Mr. Gillman Christopher Charles | 2022-A | 3.1.2022 | 9.10 | 3.1.2023 | 3.1.2023 to 2.1.2032 | 150,000 | – | – | 150,000 | – | 150,000 |
| | 2022-B | 3.1.2022 | 9.10 | 3.1.2024 | 3.1.2024 to 2.1.2032 | 150,000 | – | – | 150,000 | – | 150,000 |
| | 2022-C | 3.1.2022 | 9.10 | 3.1.2025 | 3.1.2025 to 2.1.2032 | 150,000 | – | – | 150,000 | – | 150,000 |
| | | | | | | 3,150,000 | – | – | 3,150,000 | – | 3,150,000 |
| **Employees** | 2022-A | 3.1.2022 | 9.10 | 3.1.2023 | 3.1.2023 to 2.1.2032 | 1,502,000 | (927,000) | (30,000) | 545,000 | – | 545,000 |
| | 2022-B | 3.1.2022 | 9.10 | 3.1.2024 | 3.1.2024 to 2.1.2032 | 1,975,000 | (905,000) | (30,000) | 1,040,000 | (145,000) | 895,000 |
| | 2022-C | 3.1.2022 | 9.10 | 3.1.2025 | 3.1.2025 to 2.1.2032 | 4,820,000 | (3,105,000) | (30,000) | 1,685,000 | – | 1,685,000 |
| | | | | | | 8,297,000 | (4,937,000) | (90,000) | 3,270,000 | (145,000) | 3,125,000 |
| **Consultant providing consultancy services to the Group** | 2022-C | 3.1.2022 | 9.10 | 3.1.2025 | 3.1.2025 to 2.1.2032 | 15,000 | (15,000) | – | – | – | – |
| | | | | | | 15,000 | (15,000) | – | – | – | – |
| Total | | | | | | 11,462,000 | (4,952,000) | (90,000) | 6,420,000 | (145,000) | 6,275,000 |
| Exercisable at the end of the year/period | | | | | | 11,462,000 | | | 6,420,000 | | 6,275,000 |
| Weighted average exercise price (HK$ per share)* | | | | | | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 |

* The exercise price of the share options is subject to adjustment in the case of changes in the Company's share capital.

16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

**Share option scheme** (continued)

**January 2022 share options** (continued)

During the six months ended 30 June 2026, no share option expense was recognised (2025: US$6,000).

During the six months ended 30 June 2026, 145,000 (31 December 2025: 4,952,000) share options were exercised resulting in the issue of 145,000 ordinary shares of the Company and an increase in share capital of US$1,800 (before issue expenses), as further detailed in note 15 to the interim condensed consolidated financial information.

The weighted average share price at the date of exercise for share options exercised during the six months ended 30 June 2026 was HK$15.12 per share.

Subsequent to the six months ended 30 June 2026 and up to the date of approval of this interim financial information, no share option lapsed and 45,000 share options were exercised.

Details of the share options granted and outstanding under the 2017 Scheme were as follows: (continued)

**March 2023 share options**

| | Share options | Date of grant | Exercise price HK$ | Vesting date | Exercise period | Outstanding as at 1.1.2025 (Audited) | Exercised during the year (Audited) | Forfeited/ lapsed during prior year (Audited) | Outstanding as at 31.12.2025 (Audited) | Exercised during the period (Unaudited) | Outstanding as at 30.6.2026 (Unaudited) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Directors:** | | | | | | | | | | | |
| Mr. Chi Lo-Jen | 2023-B | 17.3.2023 | 7.65 | 17.3.2025 | 17.3.2025 to 16.3.2033 | 500,000 | (500,000) | – | – | – | – |
| | 2023-C | 17.3.2023 | 7.65 | 17.3.2026 | 17.3.2026 to 16.3.2033 | 500,000 | – | – | 500,000 | (500,000) | – |
| Mr. Chiang Yi-Min, Harvey | 2023-B | 17.3.2023 | 7.65 | 17.3.2025 | 17.3.2025 to 16.3.2033 | 400,000 | (400,000) | – | – | – | – |
| | 2023-C | 17.3.2023 | 7.65 | 17.3.2026 | 17.3.2026 to 16.3.2033 | 400,000 | – | – | 400,000 | (400,000) | – |
| Mr. Gillman Christopher Charles | 2023-A | 17.3.2023 | 7.65 | 17.3.2024 | 17.3.2024 to 16.3.2033 | 150,000 | – | – | 150,000 | – | 150,000 |
| | 2023-B | 17.3.2023 | 7.65 | 17.3.2025 | 17.3.2025 to 16.3.2033 | 150,000 | – | – | 150,000 | – | 150,000 |
| | 2023-C | 17.3.2023 | 7.65 | 17.3.2026 | 17.3.2026 to 16.3.2033 | 150,000 | – | – | 150,000 | – | 150,000 |
| | | | | | | 2,250,000 | (900,000) | – | 1,350,000 | (900,000) | 450,000 |
| **Employees** | 2023-A | 17.3.2023 | 7.65 | 17.3.2024 | 17.3.2024 to 16.3.2033 | 500,000 | (215,000) | – | 285,000 | – | 285,000 |
| | 2023-B | 17.3.2023 | 7.65 | 17.3.2025 | 17.3.2025 to 16.3.2033 | 5,315,000 | (4,460,000) | (55,000) | 800,000 | (100,000) | 700,000 |
| | 2023-C | 17.3.2023 | 7.65 | 17.3.2026 | 17.3.2026 to 16.3.2033 | 5,645,000 | – | (155,000) | 5,490,000 | (3,095,000) | 2,395,000 |
| | | | | | | 11,460,000 | (4,675,000) | (210,000) | 6,575,000 | (3,195,000) | 3,380,000 |
| Total | | | | | | 13,710,000 | (5,575,000) | (210,000) | 7,925,000 | (4,095,000) | 3,830,000 |
| Exercisable at the end of the year/period | | | | | | 13,710,000 | | | 7,925,000 | | 3,830,000 |
| Weighted average exercise price (HK$ per share)* | | | | | | 7.65 | 7.65 | 7.65 | 7.65 | 7.65 | 7.65 |

* The exercise price of the share options is subject to adjustment in the case of changes in the Company's share capital.

16. SHARE-BASED PAYMENTS TRANSACTIONS (continued)

**Share option scheme** (continued)

**March 2023 share options** (continued)

During the six months ended 30 June 2026, the Company recognised a share option expense of US$44,000 (2025: US$169,000).

During the six months ended 30 June 2026, 4,095,000 (31 December 2025: 5,575,000) share options were exercised resulting in the issue of 4,095,000 ordinary shares of the Company and an increase in share capital of US$52,000 (before issue expenses), as further detailed in note 15 to the interim condensed consolidated financial information.

The weighted average share price at the date of exercise for share options exercised during the six months ended 30 June 2026 was HK$14.70 per share.

Subsequent to the six months ended 30 June 2026 and up to the date of approval of this interim financial information, no share option lapsed and 440,000 share options were exercised.

The summary of outstanding share options under the 2017 Scheme was as follows:

**For the six months ended 30 June 2026 (unaudited)**

| | **Exercise price HK$** | **Outstanding as at 1.1.2026** | **Exercised during the period** | **Outstanding as at 30.6.2026** | **Exercised during the period^** | **At the date of approval of the financial information** |
|---|---|---|---|---|---|---|
| 2017 Scheme | | | | | | |
| – April 2020 share options | 8.71 | 207,000 | – | 207,000 | – | 207,000 |
| – November 2020 share options | 9.15 | 3,179,500 | – | 3,179,500 | – | 3,179,500 |
| – March 2021 share options | 9.46 | 5,405,000 | (45,000) | 5,360,000 | – | 5,360,000 |
| – January 2022 share options | 9.10 | 6,420,000 | (145,000) | 6,275,000 | (45,000) | 6,230,000 |
| – March 2023 share options | 7.65 | 7,925,000 | (4,095,000) | 3,830,000 | (440,000) | 3,390,000 |
| Total | | 23,136,500 | (4,285,000) | 18,851,500 | (485,000) | 18,366,500 |

For the six months ended 30 June 2025 (unaudited)

| | Exercise price HK$ | Outstanding as at 1.1.2025 | Forfeited/ lapsed during the period | Exercised during the period | Outstanding as at 30.6.2025 |
|---|---|---|---|---|---|
| 2017 Scheme | | | | | |
| – April 2020 share options | 8.71 | 1,235,500 | – | (767,500) | 468,000 |
| – November 2020 share options | 9.15 | 5,031,500 | – | (1,132,500) | 3,899,000 |
| – March 2021 share options | 9.46 | 7,112,500 | – | (1,112,500) | 6,000,000 |
| – January 2022 share options | 9.10 | 11,462,000 | (90,000) | (4,407,000) | 6,965,000 |
| – March 2023 share options | 7.65 | 13,710,000 | (210,000) | (4,805,000) | 8,695,000 |
| Total | | 38,551,500 | (300,000) | (12,224,500) | 26,027,000 |

^ Period from 1 July 2026 to the date of approval of the interim financial information

At the end of the reporting period, the Company had 18,851,500 share options outstanding under the 2017 Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 18,851,500 additional ordinary shares of the Company and additional share capital of US$240,000 and share premium of US$21,187,000 (before issue expenses).

At the date of approval of this interim financial information, the Company had 18,366,500 share options outstanding under the 2017 Scheme, which represented approximately 2.18% of the Company's shares in issue as at that date.

## 17. COMMITMENTS

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

| | **30 June 2026 US$'000 (Unaudited)** | 31 December 2025 US$'000 (Audited) |
|---|---|---|
| Plant and equipment | **34,471** | 25,513 |
| Leasehold land | **898** | 956 |
| Total | **35,369** | 26,469 |

## 18. RELATED PARTY TRANSACTIONS

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

| | *Notes* | **Six months ended 30 June 2026 US$'000 (Unaudited)** | 2025 US$'000 (Unaudited) |
|---|---|---|---|
| Associate: | | | |
| Sales of products | *(i)* | – | 623 |
| Joint venture: | | | |
| Purchases of products | *(ii)* | **53,978** | 43,947 |

*Notes:*

(i) The sales to the associate were made according to the published prices and conditions offered to the major customers of the Group, except that a longer credit period of up to 6 months is normally granted. Regarding the sales of footwear products amounting to Nil (six months ended 30 June 2025: US$623,000), it was exempted from continuing connected transactions.

(ii) The purchases from the joint venture were made according to the published prices and conditions offered by the joint venture to their major customers.

(b) Outstanding balances with related parties

Details of the Group's trade balances with its joint venture and associates as at the end of the reporting period are disclosed in notes 10 and 12 to the interim condensed consolidated financial information.

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

| | **Six months ended 30 June 2026 US$'000 (Unaudited)** | 2025 US$'000 (Unaudited) |
|---|---|---|
| Short term employee benefits | **728** | 735 |
| Equity-settled share option expense | – | 27 |
| Total compensation paid to key management personnel | **728** | 762 |

## 19. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

**30 June 2026 (Unaudited)**

**Financial assets**

| | Financial assets at fair value through profit or loss US$'000 | Financial assets at amortised cost US$'000 | Total US$'000 |
|---|---|---|---|
| Trade receivables | **–** | **312,141** | **312,141** |
| Financial assets included in prepayments, deposits and other receivables | **–** | **24,246** | **24,246** |
| Financial assets at fair value through profit or loss | **1,732** | **–** | **1,732** |
| Pledged deposits | **–** | **6,033** | **6,033** |
| Cash and cash equivalents | **–** | **210,206** | **210,206** |
| Total | **1,732** | **552,626** | **554,358** |

**Financial liabilities**

| | Financial liabilities at amortised cost US$'000 |
|---|---|
| Trade payables | **89,712** |
| Financial liabilities included in other payables and accruals | **23,123** |
| Lease liabilities | **8,430** |
| Interest-bearing bank borrowings | **18,507** |
| Total | **139,772** |

**31 December 2025 (Audited)**

**Financial assets**

| | Financial assets at fair value through profit or loss US$'000 | Financial assets at amortised cost US$'000 | Total US$'000 |
|---|---|---|---|
| Trade receivables | – | 234,153 | 234,153 |
| Financial assets included in prepayments, deposits and other receivables | – | 18,945 | 18,945 |
| Financial assets at fair value through profit or loss | 2,376 | – | 2,376 |
| Pledged deposits | – | 5,953 | 5,953 |
| Cash and cash equivalents | – | 373,273 | 373,273 |
| Total | 2,376 | 632,324 | 634,700 |

**Financial liabilities**

| | Financial liabilities at amortised cost US$'000 |
|---|---|
| Trade payables | 96,943 |
| Financial liabilities included in other payables and accruals | 40,061 |
| Lease liabilities | 10,500 |
| Interest-bearing bank borrowings | 5,834 |
| Total | 153,338 |

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

| | Carrying amounts | | Fair values | |
|---|---|---|---|---|
| | **30 June 2026 US$'000 (Unaudited)** | 31 December 2025 US$'000 (Audited) | **30 June 2026 US$'000 (Unaudited)** | 31 December 2025 US$'000 (Audited) |
| **Financial assets** | | | | |
| Financial assets at fair value through profit or loss | **1,732** | 2,376 | **1,732** | 2,376 |
| Pledged deposits | **6,033** | 5,953 | **5,347** | 5,356 |
| | **7,765** | 8,329 | **7,079** | 7,732 |
| **Financial liabilities** | | | | |
| Interest-bearing bank borrowings *(note 14)* | **18,507** | 5,834 | **16,813** | 5,634 |

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer, executive directors and the Audit Committee.

At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the Audit Committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of pledged deposits and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at 30 June 2026 was assessed to be insignificant.

The fair value of listed equity investments and listed debt investments are based on quoted market prices.

### Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

*Assets measured at fair value:*

| | Fair value measurement using | | | |
|---|---|---|---|---|
| | **Quoted prices in active markets (Level 1) US$'000** | **Significant observable inputs (Level 2) US$'000** | **Significant unobservable inputs (Level 3) US$'000** | **Total US$'000** |
| **As at 30 June 2026 (Unaudited)** | | | | |
| Financial assets at fair value through profit or loss | **1,732** | **–** | **–** | **1,732** |
| **As at 31 December 2025 (Audited)** | | | | |
| Financial assets at fair value through profit or loss | 2,376 | – | – | 2,376 |

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

**Fair value hierarchy** (continued)

*Assets for which fair values are disclosed:*

| | Fair value measurement using | | | |
|---|---|---|---|---|
| | Quoted prices in active markets (Level 1) US$'000 | Significant observable inputs (Level 2) US$'000 | Significant unobservable inputs (Level 3) US$'000 | Total US$'000 |
| **As at 30 June 2026 (Unaudited)** | | | | |
| Pledged deposits | **–** | **5,347** | **–** | **5,347** |
| **As at 31 December 2025 (Audited)** | | | | |
| Pledged deposits | – | 5,356 | – | 5,356 |

*Liabilities for which fair values are disclosed:*

| | Fair value measurement using | | | |
|---|---|---|---|---|
| | Quoted prices in active markets (Level 1) US$'000 | Significant observable inputs (Level 2) US$'000 | Significant unobservable inputs (Level 3) US$'000 | Total US$'000 |
| **As at 30 June 2026 (Unaudited)** | | | | |
| Interest-bearing bank borrowings | **–** | **16,813** | **–** | **16,813** |
| **As at 31 December 2025 (Audited)** | | | | |
| Interest-bearing bank borrowings | – | 5,634 | – | 5,634 |

The Group did not have any financial liabilities measured at fair value as at 30 June 2026 and 31 December 2025.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

## 21. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the Board on 20 August 2026.

# DISCLOSURE OF INTERESTS

## Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2026, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

### Aggregate long positions in shares and underlying shares of the Company:

| Director | Capacity/Nature of Interests | Number of Shares: Personal Interest | Number of Shares: Corporate Interest | Number of Underlying Shares | Total | Approximate Percentage of Shareholding *(Note 1)* |
|---|---|---|---|---|---|---|
| Chan Fu Keung | Beneficial owner | 100,000 | – | – | 100,000 | 0.01% |
| Chen Li-Ming, Lawrence | Beneficial owner and interest of controlled corporation | 777,000 | 27,992,227 *(Note 2)* | – | 28,769,227 | 3.41% |
| Chi Lo-Jen | Beneficial owner | 3,283,500 | – | 3,949,500 *(Note 3)* | 7,233,000 | 0.86% |
| Chiang Yi-Min, Harvey | Beneficial owner and beneficiary of a trust | 53,847,418 *(Note 4)* | – | 3,079,500 *(Note 5)* | 56,926,918 | 6.74% |
| Gillman Christopher Charles | Beneficial owner | 439,411 | – | 900,000 *(Note 6)* | 1,339,411 | 0.16% |

*Notes:*

1. The percentage represents the number of shares involved divided by the number of the Company's issued shares as at 30 June 2026 (i.e. 844,011,500 ordinary shares).

2. These interests were held by Blue Diamond Investment Corp., the entire issued share capital of which was held by Chen Li-Ming, Lawrence. Chen Li-Ming, Lawrence was deemed to be interested in the shares of the Company in which that company was interested by virtue of the SFO.

3. These interests are share options (as described under the section headed "The 2017 Scheme" in the section headed "Other Information" below), all of which were vested but not yet exercised.

4. These interests are held as to 1,100,000 shares by Mr. Chiang personally and as to 52,747,418 shares by Chiang Family (PTC) Limited, a trustee of the trust of which Mr. Chiang is the sole director and a beneficiary.

5. These interests are share options (as described under the section headed "The 2017 Scheme" in the section headed "Other Information" below), all of which were vested but not yet exercised.

6. These interests are share options (as described under the section headed "The 2017 Scheme" in the section headed "Other Information" below), all of which were vested but not yet exercised.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporation as recorded in the register required to be kept by the Company 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 and Short Positions in Shares and Underlying Shares

As at 30 June 2026, the interests and short positions of the then shareholders of the Company (other than a Director or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:–

### Long position in the shares of the Company

| Name | Capacity/Nature of Interest | Number of Shares | Approximate Percentage of Shareholding *(Note 1)* |
|---|---|---|---|
| Cordwalner Bonaventure Inc. | Beneficial owner | 173,508,593 | 20.56% |
| Chiang Jeh-Chung, Jack *(Note 2 & 3)* | Beneficial owner and founder of a discretionary trust who can influence how the trustee exercises its discretion | 53,078,918 | 6.29% |
| CA Indosuez (Switzerland) SA, Singapore Branch | Custodian | 52,787,418 | 6.25% |
| Chiang Family (PTC) Limited *(Note 2)* | Interest of Controlled Corporation | 52,747,418 | 6.25% |
| Merci Capital Limited *(Note 2)* | Beneficial owner | 52,747,418 | 6.25% |

*Notes:*

1. The percentage represents the number of shares involved divided by the number of the Company's issued shares as at 30 June 2026 (i.e. 844,011,500 ordinary shares).

2. Chiang Family (PTC) Limited is a trustee in which Mr. Chiang Jeh-Chung, Jack is the founder of the trust who can influence how the trustee exercises its discretion. Such interests were held by Merci Capital Limited, the entire issued share capital of which was held by Chiang Family (PTC) Limited. Mr. Chiang Jeh-Chung, Jack and Chiang Family (PTC) Limited were each deemed to be interested in the shares of the Company in which Merci Capital Limited was interested by virtue of the SFO.

3. Chiang Jeh-Chung, Jack was directly interested in 331,500 issued shares of the Company which were held by him personally.

Save as disclosed above, as at 30 June 2026, to the best of the knowledge, information and belief of the Directors, no person (other than a Director or chief executive of the Company whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above), had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

# CORPORATE GOVERNANCE

## Compliance with Corporate Governance Code

The Board and management of the Group are committed to achieving high standards of corporate governance through increasing transparency, accountability and better risk assessment and mitigation. We believe that high standard of corporate governance practices will translate into long-term returns to the shareholders of the Company (the "Shareholders"). The Company has applied the principles and complied with all code provisions set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2026. Further information on the Company's corporate governance practices is set out in the corporate governance report in the Company's 2025 annual report, which is available on the Company's website.

## Governance Model

The Company advocates a governance model which combines both corporate governance and business governance in order to build long-term interests for the Group. Corporate governance emphasises conformance to relevant laws and regulations while business governance focuses on business performance. We believe the combination of both will enhance accountability and assurance to the Shareholders which are the key drivers for value creation for the Group.

## Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code")

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiry with all Directors, all the Directors confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2026.

# OTHER INFORMATION

## EVENTS AFTER THE REPORTING PERIOD

There are no events causing material impact on the Group from the end of the reporting period to the date of this interim report.

## THE 2017 SCHEME

A share option scheme (the "2017 Scheme") was approved by an ordinary resolution of the shareholders of the Company on 19 May 2017 for a period of 10 years from the adoption date. The 2017 Scheme was terminated upon adoption of a new share option scheme (the details as described under "The 2024 Scheme" below) with effect from 9 May 2024 pursuant to a resolution passed at the annual general meeting on the same date. As provided in the 2017 Scheme, upon its termination, no further share options may be offered under the 2017 Scheme, but in all other respects the provisions of the 2017 Scheme shall remain in force to the extent necessary to give effect to the exercise of any share options granted prior thereto (to the extent not already exercised) or otherwise as may be required in accordance with the provisions of the 2017 Scheme. The share options outstanding shall continue to be governed by and valid and exercisable in accordance with the provisions of the 2017 Scheme.

### Purpose

The purpose of the 2017 Scheme was to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group. The Directors considered the 2017 Scheme, with its broadened basis of participation, would enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors were entitled to determine any performance targets to be achieved as well as the minimum period that an option must be held before an option could be exercised on a case by case basis, and that the exercise price of an option could not in any event fall below the price stipulated in the Listing Rules or such higher price as might be fixed by the Directors, it was expected that grantees of an option would make an effort to contribute to the development of the Group so as to bring about an increased market price of the shares in order to capitalise on the benefits of the options granted.

### Participants

The Directors (which expression shall, for the purpose of this paragraph, include a duly authorised committee thereof) might, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for shares: (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity ("Invested Entity") in which the Group held an equity interest ("Eligible Employee"); (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provided design, research, development or other technological support to any member of the Group or any Invested Entity; (f) 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; (g) any advisor (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and (h) any other group or classes of participants who had contributed or might contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group, and, for the purposes of the 2017 Scheme, the options might be granted to any company wholly-owned by one or more persons belonging to any of the above classes of participants. The eligibility of any of the above class of participants to the grant of any option shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group. Pursuant to the transitional arrangements prescribed by the Stock Exchange, with effect from 1 January 2023, among the classes of participants mentioned above, the Company might continue to grant share options under the 2017 Scheme only to those participants who fall within the definition of "eligible participants" under Chapter 17 of the Listing Rules, i.e. (a) Directors and employees of the Company or any of its subsidiaries (including persons who were granted share options under the 2017 Scheme as an inducement to enter into employment contracts with these companies); (b) directors and employees of the associated companies of the Company; and (c) persons who provided services to the Group on a continuing or recurring basis in its ordinary and usual course of business which were in the interests of the long term growth of the Group.

### Maximum number of shares

The total number of shares which might be issued upon exercise of all options to be granted under the 2017 Scheme and any other share option scheme of the Group must not in aggregate exceed 79,437,950 shares, representing 10% of the shares in issue as at the effective date of the 2017 Scheme ("General Scheme Limit").

The Company might issue a circular to its shareholders and seek approval of its shareholders in general meeting to refresh the General Scheme Limit provided that the total number of shares which might be issued upon exercise of all options to be granted under the 2017 Scheme and any other share option scheme of the Group must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit.

The Company might also seek separate shareholders' approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the refreshed limit referred to above to participants specifically identified by the Company before such approval was sought.

The maximum number of shares which might fall to be issued upon exercise of the options to be granted under the 2017 Scheme and the options granted under any other share option scheme of the Group (including both exercised and outstanding options) to be granted by the Company or any other member of the Group in any given financial year of the Company shall not exceed 2.5% of the shares in issue as at the beginning of such financial year.

### Maximum entitlement of each participant

The total number of shares issued and which might fall to be issued upon exercise of the options granted under the 2017 Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the shares in issue for the time being ("Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to separate shareholders' approval in general meeting of the Company with such participant and his close associates (or his associates if the participant was a connected person of the Company) abstaining from voting.

### Grant of options to connected persons

Any grant of options under the 2017 Scheme to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors of the Company (excluding any independent non-executive Director who or whose associate was the proposed grantee of the options). Where any grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates would result in the shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the shares in issue; and (ii) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK$5 million; such further grant of options must be approved by the shareholders in general meeting. The Company must send a circular to the shareholders. The proposed grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting, except that any such person might vote against the relevant resolution at the general meeting provided that his intention to do so had been stated in the circular. Any vote taken at the meeting to approve the grant of such options must be taken on a poll. Any change in the terms of options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates must be approved by the shareholders in general meeting.

### Time of acceptance and exercise of option

An option might be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option might be exercised in accordance with the terms of the 2017 Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period might commence on a day after the date upon which the offer for the grant of options was accepted or the date on which the share options granted become vested upon fulfillment of the specified vesting conditions (if any) but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there was no minimum period required under the 2017 Option Scheme for the holding of an option before it could be exercised.

## Subscription price for shares and consideration for the option

The subscription price for shares under the 2017 Scheme would be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares. A nominal consideration of HK$1 was payable on acceptance of the grant of an option and shall be received by the Company within such time as might be specified in the offer of grant of the option, which shall not be later than 21 days from the offer date.

## Period

The 2017 Scheme shall remain in force for a period of 10 years commencing on 19 May 2017 and expire on 18 May 2027. As explained above, the 2017 Scheme had been terminated upon adoption of a new share option scheme (the details as described under "The 2024 Scheme" below) with effect from 9 May 2024 pursuant to a resolution passed at the annual general meeting on the same date.

### Under the 2017 Scheme, the following share options were granted:

| Date of grant | Number of share options granted | |
|---|---|---|
| 15 April 2020 | 2,700,000 | the "April 2020 Share Options" |
| 26 November 2020 | 17,163,000 | the "November 2020 Share Options" |
| 19 March 2021 | 19,695,000 | the "March 2021 Share Options" |
| 3 January 2022 | 19,740,000 | the "January 2022 Share Options" |
| 17 March 2023 | 19,760,000 | the "March 2023 Share Options" |

During the period under review, no share options were granted, a total of 4,285,000 share options were exercised and no share options had been cancelled or had lapsed under the 2017 Scheme. As at 30 June 2026, 18,851,500 share options were outstanding (being the number of share options granted less the number of share options that had been exercised or cancelled (if any) or that had lapsed).

As the 2017 Scheme had already been terminated prior to the beginning of the period under review, the number of options that remained available for grant throughout the period under review under the scheme mandate of the 2017 Scheme was nil.

Details of the share options under the 2017 Scheme during the period were as follows:

### April 2020 Share Options (date of grant: 15 April 2020) *(Note 1)*

| Category of participants | Outstanding as at 1 January 2026 | Vesting date | Exercise period | Exercise price | Exercised during the period | Cancelled during the period | Lapsed during the period | Outstanding as at 30 June 2026 |
|---|---|---|---|---|---|---|---|---|
| **Employee** | 207,000 | 2023 Vesting Date *(Note 2)* | 2023 Vesting Date *(Note 2)* to 5 July 2027 | HK$8.71 | – | – | – | 207,000 |
| | 207,000 | | | | – | – | – | 207,000 |

*Notes:*

1. The closing price of the Shares on 14 April 2020, the trading day immediately before the date on which the April 2020 Share Options were granted, was HK$8.60 per Share. The April 2020 Share Options were granted after the market closed on 15 April 2020 on which the closing price was HK$8.71 per Share.

2. 2023 Vesting Date refers to the business day immediately following the date of results announcement of the Company for the financial year ended 31 December 2022, i.e. 17 March 2023.

## November 2020 Share Options (date of grant: 26 November 2020) *(Note 3)*

| Category of participants | Outstanding as at 1 January 2026 | Vesting date | Exercise period | Exercise price | Exercised during the period | Cancelled during the period | Lapsed during the period | Outstanding as at 30 June 2026 |
|---|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | | |
| Chi Lo-Jen | 316,500 | 26 November 2021 | 26 November 2021 to 25 November 2030 | HK$9.15 | – | – | – | 316,500 |
| | 316,500 | 26 November 2022 | 26 November 2022 to 25 November 2030 | HK$9.15 | – | – | – | 316,500 |
| | 316,500 | 26 November 2023 | 26 November 2023 to 25 November 2030 | HK$9.15 | – | – | – | 316,500 |
| Chiang Yi-Min, Harvey | 226,500 | 26 November 2021 | 26 November 2021 to 25 November 2030 | HK$9.15 | – | – | – | 226,500 |
| | 226,500 | 26 November 2022 | 26 November 2022 to 25 November 2030 | HK$9.15 | – | – | – | 226,500 |
| | 226,500 | 26 November 2023 | 26 November 2023 to 25 November 2030 | HK$9.15 | – | – | – | 226,500 |
| Gillman Christopher Charles | – | 26 November 2021 | 26 November 2021 to 25 November 2030 | HK$9.15 | – | – | – | – |
| | – | 26 November 2022 | 26 November 2022 to 25 November 2030 | HK$9.15 | – | – | – | – |
| | – | 26 November 2023 | 26 November 2023 to 25 November 2030 | HK$9.15 | – | – | – | – |
| | 1,629,000 | | | | – | – | – | 1,629,000 |
| **Employees** | 400,000 | 26 November 2021 | 26 November 2021 to 25 November 2030 | HK$9.15 | – | – | – | 400,000 |
| | 563,000 | 26 November 2022 | 26 November 2022 to 25 November 2030 | HK$9.15 | – | – | – | 563,000 |
| | 587,500 | 26 November 2023 | 26 November 2023 to 25 November 2030 | HK$9.15 | – | – | – | 587,500 |
| | 1,550,500 | | | | – | – | – | 1,550,500 |
| | 3,179,500 | | | | – | – | – | 3,179,500 |

*Note:*

3. The closing price of the Shares on 25 November 2020, the trading day immediately before the date on which the November 2020 Share Options were granted, was HK$9.21 per Share. The November 2020 Share Options were granted after the market closed on 26 November 2020 on which the closing price was HK$9.15 per Share.

### March 2021 Share Options (date of grant: 19 March 2021) *(Note 4)*

| Category of participants | Outstanding as at 1 January 2026 | Vesting date | Exercise period | Exercise price | Exercised during the period | Cancelled during the period | Lapsed during the period | Outstanding as at 30 June 2026 |
|---|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | | |
| Chi Lo-Jen | 500,000 | 19 March 2022 | 19 March 2022 to 18 March 2031 | HK$9.46 | – | – | – | 500,000 |
| | 500,000 | 19 March 2023 | 19 March 2023 to 18 March 2031 | HK$9.46 | – | – | – | 500,000 |
| | 500,000 | 19 March 2024 | 19 March 2024 to 18 March 2031 | HK$9.46 | – | – | – | 500,000 |
| Chiang Yi-Min, Harvey | 400,000 | 19 March 2022 | 19 March 2022 to 18 March 2031 | HK$9.46 | – | – | – | 400,000 |
| | 400,000 | 19 March 2023 | 19 March 2023 to 18 March 2031 | HK$9.46 | – | – | – | 400,000 |
| | 400,000 | 19 March 2024 | 19 March 2024 to 18 March 2031 | HK$9.46 | – | – | – | 400,000 |
| Gillman Christopher Charles | – | 19 March 2022 | 19 March 2022 to 18 March 2031 | HK$9.46 | – | – | – | – |
| | – | 19 March 2023 | 19 March 2023 to 18 March 2031 | HK$9.46 | – | – | – | – |
| | – | 19 March 2024 | 19 March 2024 to 18 March 2031 | HK$9.46 | – | – | – | – |
| | 2,700,000 | | | | – | – | – | 2,700,000 |
| **Employees** | 885,000 | 19 March 2022 | 19 March 2022 to 18 March 2031 | HK$9.46 | (15,000) | – | – | 870,000 |
| | 885,000 | 19 March 2023 | 19 March 2023 to 18 March 2031 | HK$9.46 | (15,000) | – | – | 870,000 |
| | 935,000 | 19 March 2024 | 19 March 2024 to 18 March 2031 | HK$9.46 | (15,000) | – | – | 920,000 |
| | 2,705,000 | | | | (45,000) | – | – | 2,660,000 |
| | 5,405,000 | | | | (45,000) | – | – | 5,360,000 |

*Notes:*

4. The closing price of the Shares on 18 March 2021, the trading day immediately before the date on which the March 2021 Share Options were granted, was HK$9.54 per Share. The March 2021 Share Options were granted after the market closed on 19 March 2021 on which the closing price was HK$9.46 per Share.

5. The weighted average closing price of the Shares immediately before the dates on which the relevant March 2021 Share Options were exercised as set out in the table above, was HK$14.24 per Share.

### January 2022 Share Options (date of grant: 3 January 2022) *(Note 6)*

| Category of participants | Outstanding as at 1 January 2026 | Vesting date | Exercise period | Exercise price | Exercised during the period | Cancelled during the period | Lapsed during the period | Outstanding as at 30 June 2026 |
|---|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | | |
| Chi Lo-Jen | 500,000 | 3 January 2023 | 3 January 2023 to 2 January 2032 | HK$9.10 | – | – | – | 500,000 |
| | 500,000 | 3 January 2024 | 3 January 2024 to 2 January 2032 | HK$9.10 | – | – | – | 500,000 |
| | 500,000 | 3 January 2025 | 3 January 2025 to 2 January 2032 | HK$9.10 | – | – | – | 500,000 |
| Chiang Yi-Min, Harvey | 400,000 | 3 January 2023 | 3 January 2023 to 2 January 2032 | HK$9.10 | – | – | – | 400,000 |
| | 400,000 | 3 January 2024 | 3 January 2024 to 2 January 2032 | HK$9.10 | – | – | – | 400,000 |
| | 400,000 | 3 January 2025 | 3 January 2025 to 2 January 2032 | HK$9.10 | – | – | – | 400,000 |
| Gillman Christopher Charles | 150,000 | 3 January 2023 | 3 January 2023 to 2 January 2032 | HK$9.10 | – | – | – | 150,000 |
| | 150,000 | 3 January 2024 | 3 January 2024 to 2 January 2032 | HK$9.10 | – | – | – | 150,000 |
| | 150,000 | 3 January 2025 | 3 January 2025 to 2 January 2032 | HK$9.10 | – | – | – | 150,000 |
| | 3,150,000 | | | | – | – | – | 3,150,000 |
| **Employees** | 545,000 | 3 January 2023 | 3 January 2023 to 2 January 2032 | HK$9.10 | – | – | – | 545,000 |
| | 1,040,000 | 3 January 2024 | 3 January 2024 to 2 January 2032 | HK$9.10 | (145,000) | – | – | 895,000 |
| | 1,685,000 | 3 January 2025 | 3 January 2025 to 2 January 2032 | HK$9.10 | – | – | – | 1,685,000 |
| | 3,270,000 | | | | (145,000) | – | – | 3,125,000 |
| Consultant providing consultancy services to the Group (Note 7) | – | 3 January 2023 | 3 January 2023 to 2 January 2032 | HK$9.10 | – | – | – | – |
| | – | 3 January 2024 | 3 January 2024 to 2 January 2032 | HK$9.10 | – | – | – | – |
| | – | 3 January 2025 | 3 January 2025 to 2 January 2032 | HK$9.10 | – | – | – | – |
| | – | | | | – | – | – | – |
| | 6,420,000 | | | | (145,000) | – | – | 6,275,000 |

*Notes:*

6. The closing price of the Shares on 31 December 2021, the trading day immediately before the date on which the January 2022 Share Options were granted, was HK$9.43 per Share. The January 2022 Share Options were granted after the market closed on 3 January 2022 on which the closing price was HK$9.10 per Share.

7. This represents a consultant of the Group, who is a third party independent of the Company and its connected persons (as defined in the Listing Rules) engaged to provide logistics support consultancy services to the Group. These share options were granted to the consultant in consideration of the contribution the consultant had made to the Group's business operations. The grant of the share options to the consultant constitutes rewards for the services rendered and will furnish the consultant with a personal stake in the Company, which the Directors believe will serve to achieve retention purpose and incentivize the consultant to contribute further to the development and growth of the Group for the benefit of the Shareholders.

8. The weighted average closing price of the Shares immediately before the dates on which the relevant January 2022 Share Options were exercised as set out in the table above, was HK$15.12 per Share.

### March 2023 Share Options (date of grant: 17 March 2023) *(Note 9)*

| Category of participants | Outstanding as at 1 January 2026 | Vesting date | Exercise period | Exercise price | Exercised during the period | Cancelled during the period | Lapsed during the period | Outstanding as at 30 June 2026 |
|---|---|---|---|---|---|---|---|---|
| **Directors** | | | | | | | | |
| Chi Lo-Jen | – | 17 March 2024 | 17 March 2024 to 16 March 2033 | HK$7.65 | – | – | – | – |
| | – | 17 March 2025 | 17 March 2025 to 16 March 2033 | HK$7.65 | - | – | – | – |
| | 500,000 | 17 March 2026 | 17 March 2026 to 16 March 2033 | HK$7.65 | (500,000) | – | – | – |
| Chiang Yi-Min, Harvey | – | 17 March 2024 | 17 March 2024 to 16 March 2033 | HK$7.65 | – | – | – | – |
| | – | 17 March 2025 | 17 March 2025 to 16 March 2033 | HK$7.65 | – | – | – | – |
| | 400,000 | 17 March 2026 | 17 March 2026 to 16 March 2033 | HK$7.65 | (400,000) | – | – | – |
| Gillman Christopher Charles | 150,000 | 17 March 2024 | 17 March 2024 to 16 March 2033 | HK$7.65 | – | – | – | 150,000 |
| | 150,000 | 17 March 2025 | 17 March 2025 to 16 March 2033 | HK$7.65 | – | – | – | 150,000 |
| | 150,000 | 17 March 2026 | 17 March 2026 to 16 March 2033 | HK$7.65 | – | – | – | 150,000 |
| | 1,350,000 | | | | (900,000) | – | – | 450,000 |
| **Employees** | 285,000 | 17 March 2024 | 17 March 2024 to 16 March 2033 | HK$7.65 | – | – | – | 285,000 |
| | 800,000 | 17 March 2025 | 17 March 2025 to 16 March 2033 | HK$7.65 | (100,000) | – | – | 700,000 |
| | 5,490,000 | 17 March 2026 | 17 March 2026 to 16 March 2033 | HK$7.65 | (3,095,000) | – | – | 2,395,000 |
| | 6,575,000 | | | | (3,195,000) | – | – | 3,380,000 |
| | 7,925,000 | | | | (4,095,000) | – | – | 3,830,000 |

*Notes:*

9. The closing price of the Shares on 16 March 2023, the trading day immediately before the date on which the March 2023 Share Options were granted, was HK$7.46 per Share. The March 2023 Share Options were granted after the market closed on 17 March 2023 on which the closing price was HK$7.65 per Share.

10. The weighted average closing price of the Shares immediately before the dates on which the relevant March 2023 Share Options were exercised as set out in the table above, was HK$14.70 per Share.

### All share options

| Category of participants | Outstanding as at 1 January 2026 | Exercised during the period | Cancelled during the period | Lapsed during the period | Outstanding as at 30 June 2026 |
|---|---|---|---|---|---|
| **Directors** | | | | | |
| Chi Lo-Jen | 4,449,500 | (500,000) | – | – | 3,949,500 |
| Chiang Yi-Min, Harvey | 3,479,500 | (400,000) | – | – | 3,079,500 |
| Gillman Christopher Charles | 900,000 | – | – | – | 900,000 |
| **Employees** | 14,307,500 | (3,385,000) | – | – | 10,922,500 |
| | 23,136,500 | (4,285,000) | – | – | 18,851,500 |

## THE 2024 SCHEME

As the 2017 Scheme was terminated with effect from 9 May 2024, a new share option scheme (the "2024 Scheme") was approved by an ordinary resolution of the shareholders of the Company on 9 May 2024 for a period of 10 years from the adoption date. The 2024 Scheme shall be valid and effective for the period commencing on the adoption date, i.e. 9 May 2024, and ending on 8 May 2034, unless terminated on a prior date pursuant to a resolution passed at a general meeting of the Company. The terms of the 2024 Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules, where appropriate.

### Purpose

The purposes of the 2024 Scheme are (i) to enable the Company to grant options to the eligible participants as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract and retain personnel to promote the sustainable development of the Group; and (iii) to align the interest of the grantees with those of the Shareholders to promote the long-term financial and business performance of the Group.

### Participants

Pursuant to the terms of the 2024 Share Option Scheme, the eligible participants whom the Board may invite to take up options under the 2024 Scheme include employee participants only, i.e. employees (whether full time or part time, and including directors other than the independent non-executive Directors) of the Company or any of its subsidiaries (including persons who are granted options under the 2024 Scheme as an inducement to enter into employment contracts with these companies).

### Option Period

The period within which an Option may be exercised by the grantee is to be determined and notified by the Board to the grantee, provided that the period shall not be more than 10 years from the offer date of the Option. In the absence of such determination by the Board, the option period shall commence on the offer date and expire on the earlier of (i) the date on which such Option is cancelled or lapses under the provisions of the 2024 Scheme; and (ii) 10 years from the offer date of the Option.

### Vesting period

A grantee may exercise the options granted to him and subscribe for the Shares only, among others, on or after the vesting date. The vesting period in respect of an Option, which shall commence on the date on which the grantee accepts the offer of the Option and end on the vesting date, shall not be shorter than 12 months from the date of acceptance of the offer.

### Performance targets

The Remuneration Committee (where the grantee is a Director or a Senior Manager) or the Board (where the grantee is an employee participant in any other capacity) may establish performance target(s) the attainment of which shall be a precondition for any exercise of the options granted to the grantee concerned. The Remuneration Committee (or, as the case may be, the Board) shall have the authority, after the grant of any Option which is performance-linked, to make fair and reasonable adjustments to the prescribed performance target(s) during an option period if there is any change in circumstances.

### Clawback mechanism

The Board may further provide in the notice of offer that any Option prior to it being exercised may be subject to clawback or a longer vesting period if certain clawback events shall occur during the option period.

### Maximum number of Shares

The maximum number of Shares which may be allotted and issued in respect of all options to be granted under the 2024 Scheme and all options and awards to be granted under other share schemes shall not exceed ten (10) per cent. of the number of Shares in issue as at the date of approval of the 2024 Scheme i.e. 81,027,500 Shares (the "Scheme Mandate Limit").

The Company may seek approval of the Shareholders at a general meeting for refreshing the Scheme Mandate Limit under this Scheme, provided that (i) the total number of Shares which may be allotted and issued in respect of all options to be granted under the 2024 Scheme and all options and awards to be granted under any other share scheme(s) under the scheme mandate as refreshed must not exceed 10 per cent. of the Shares in issue as at the date of approval of the refreshed scheme mandate.

### Maximum entitlement of each participant

Any offer of options to an eligible participant under the 2024 Scheme would result in the Shares issued and to be issued in respect of all options granted to the eligible participant under the 2024 Scheme and all options and awards granted to the eligible participant under any other share scheme(s) (excluding all options that have lapsed in accordance with the terms of the 2024 Scheme and all options and awards that have lapsed in accordance with the terms of any other share scheme(s)) in the 12-month period up to and including the offer date representing in aggregate over 1 per cent. of the total number of Shares in issue (the "1% Individual Limit"), such an offer must be separately approved by the Shareholders at a general meeting with the eligible participant and his close associates (or his associates if the eligible participant is a connected person of the Company) abstaining from voting.

Where any offer of options to an eligible participant who is a substantial shareholder of the Company or any of their respective associates under the 2024 Scheme would result in the Shares issued and to be issued in respect of all Options granted under this Scheme and all options and awards granted under any other share scheme(s) (excluding all options that have lapsed in accordance with the terms of this Scheme and all options and Awards that have lapsed in accordance with the terms of any other share scheme(s)) to such a person in the 12-month period up to and including the offer date representing in aggregate over 0.1 per cent. of the total number of Shares in issue, such an offer must be approved by the Shareholders at a general meeting. The eligible participant, his associates and all core connected persons of the Company must abstain from voting in favour of the relevant resolution(s) at the general meeting; alternatively, they may vote against the relevant resolution(s) at the general meeting provided that their intention to do so has been stated in the relevant circular to Shareholders.

### Subscription price for Shares

The price per Share at which a grantee may subscribe for the Share on the exercise of an option shall be determined at the discretion of the Board, provided that it must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of a Share.

### Consideration for grant

A consideration of HK$1 shall be remitted to the Company for any grant of options and shall be received by the Company within such time as may be specified in the offer which shall not be later than 21 days from the offer date.

As at the beginning of the period under review (i.e. 1 January 2026), the number of options available for grant under the scheme mandate of the 2024 Scheme was 81,027,500. No option had been granted under the 2024 Scheme since its adoption. Hence, as at the end of the period under review (i.e. 30 June 2026), the number of options that remained available for grant under the scheme mandate of the 2024 Scheme was 81,027,500.

## SHARE AWARD SCHEME

### THE 2024 SHARE AWARD SCHEME

Pursuant to a resolution passed by the Board, with effect from the conclusion of the annual general meeting held on 9 May 2024, a new share award scheme (the "2024 Share Award Scheme") was adopted to replace the share award plan adopted in 2017.

The 2024 Share Award Scheme provides for the grant by the Company of share awards using existing Shares only and no new shares are available for issue under it. The 2024 Share Award Scheme is not subject to the Shareholders' approval requirements under Chapter 17 of the Listing Rules.

The specific objectives of the 2024 Share Award Scheme are: (i) to enable the Company to grant options to the eligible participants as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract and retain personnel to promote the sustainable development of the Group; and (iii) to align the interest of the selected participants with those of the shareholders to promote the long-term financial and business performance of the Group. Eligible participants under the 2024 Share Award Scheme include employees (whether full time or part time, and including Directors other than the independent non-executive Directors) of the Company or any of its subsidiaries.

No maximum entitlement of each participant is prescribed in the 2024 Share Award Plan. In determining the number of shares to be awarded to any selected participant, the Board shall take into consideration matters including, but without limitation to, the following: (a) the present contribution and expected contribution of the relevant selected participant to the profits of the Group; (b) the general financial condition of the Group; (c) the Group's overall business objectives and future development plan; and (d) any other matter which the Board considers relevant. After the Board has decided to make an award of shares to any eligible participant, the Company shall issue to the eligible participant a written instrument setting out the number of awarded shares and the conditions (if any) upon which such awarded shares were granted. Upon due execution of the grant instrument by both the Company and the relevant eligible participant, the awarded shares are considered as having been granted to and accepted by the eligible participant. Unless otherwise specified in the grant instrument, no consideration is payable upon acceptance of the award of shares.

The Board is entitled to impose any condition, as it deems appropriate at its absolute discretion with respect to the vesting of the awarded shares to the selected participant. The vesting period in respect of any awarded shares granted to any selected participant shall not be shorter than 12 months. The awarded shares will only be transferred to the selected participant upon fulfilment of all vesting conditions prescribed by the Board and expiration of the vesting period. Upon vesting of the awarded shares, the Company shall issue to the selected participant another written instrument to confirm the vesting of the awards.

The 2024 Share Award Scheme shall be valid and effective for a term of ten years commencing on the adoption date, i.e. 9 May 2024, and ending on 8 May 2034, unless terminated on a prior date pursuant to a resolution passed by the Board.

The Board shall appoint a trustee to administer the 2024 Share Award Scheme and maintain a pool of shares for the purpose of satisfying the awards made under the scheme, among others. The Board may from time to time instruct the trustee in writing to purchase shares on the Stock Exchange, which shall comprise the share pool. On each such occasion, the Board shall specify in writing the maximum amount of funds to be used and the range of prices at which such shares are to be purchased. Such a range of purchase prices shall be determined by the Board taking into consideration factors such as the prevailing closing price of the Shares (being the average closing price of the Shares on the Stock Exchange for the five preceding business days on which the Shares are traded on the Stock Exchange), the purpose of the awards to be made with the shares to be purchased, and the characteristics and profile of the relevant selected participants for participation in the scheme. The trustee may not incur more than the maximum amount of funds or purchase any shares at a price falling outside the range of prices so specified unless with the prior written consent of the Board.

As at the date of this interim report, no trustee has been appointed for the purposes of the administration and implementation of the 2024 Share Award Scheme. The Company will appoint independent third party(ies) as trustee(s) to administer the 2024 Share Award Scheme as and when appropriate, and any such trustee holding unvested shares under the 2024 Shares Award Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Since the adoption date and up to the date of this interim report, no share awards had been granted under the 2024 Share Award Scheme.

## ENTRUSTED SHARES HELD BY A TRUSTEE

Pursuant to the terms of a long term incentive scheme approved by the Shareholders in 2007 which had expired in 2017 (the "2007 Scheme"), the Company has entered into an engagement agreement (the "Engagement Agreement") and a deed of settlement (the "Deed") dated 2 June 2008 and 27 August 2008 respectively with a trustee (the "Trustee") for the administration by the Trustee of the awards of Restricted Unit Awards under the 2007 Scheme. The Engagement Agreement and the Deed were subsequently terminated with effect from 15 July 2013. As at 1 January 2026, the Trustee maintained a pool of 1,578,000 shares (the "Entrusted Shares"). As there is no imminent plan to grant share awards, for governance consideration, it was planned to sell the Entrusted Shares on the market in an orderly manner. During the period under review, all the remaining 1,578,000 Entrusted Shares were sold. As at 30 June 2026, the Trustee did not hold any shares on trust for the Company (30 June 2025: 1,778,000 shares).

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the reporting period.

## REVIEW OF ACCOUNTS BY AUDIT COMMITTEE

The audit committee of the Board has reviewed the interim results of the Group, including the accounting treatment adopted by the Company for the six months ended 30 June 2026, with no disagreement. The audit committee of the Board has also discussed with the Company's management regarding risk management, internal control and other related matters.

By the order of the Board
**Stella International Holdings Limited**
**Chen Li-Ming, Lawrence**
*Chairman*

Hong Kong, 20 August 2026

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Executive Directors**
CHEN Li-Ming, Lawrence, *Chairman*
CHI Lo-Jen, *Chief Executive Officer*
GILLMAN Charles Christopher
CHIANG Yi-Min, Harvey

**Independent Non-Executive Directors**
BOLLIGER Peter
CHAN Fu Keung, William, *BBS*
YUE Chao-Tang, Thomas
WAN Sin Yee, Sindy
MA Hui-Fan, Connie

## AUDIT COMMITTEE

YUE Chao-Tang, Thomas, *Chairman*
CHAN Fu Keung, William, *BBS*
WAN Sin Yee, Sindy

## CORPORATE GOVERNANCE COMMITTEE

BOLLIGER Peter, *Chairman*
CHAN Fu Keung, William, *BBS*
YUE Chao-Tang, Thomas
MA Hui-Fan, Connie

## EXECUTIVE COMMITTEE

CHI Lo-Jen, *Chairman*
CHEN Li-Ming, Lawrence
GILLMAN Charles Christopher
CHIANG Yi-Min, Harvey

## NOMINATION COMMITTEE

WAN Sin Yee, Sindy, *Chairman*
BOLLIGER Peter
CHAN Fu Keung, William, *BBS*
YUE Chao-Tang, Thomas
MA Hui-Fan, Connie

## REMUNERATION COMMITTEE

CHAN Fu Keung, William, *BBS, Chairman*
YUE Chao-Tang, Thomas
WAN Sin Yee, Sindy
MA Hui-Fan, Connie

## AUTHORISED REPRESENTATIVES

CHI Lo-Jen
KAN Siu Yim, Katie

## CHIEF FINANCIAL OFFICER

TAM Siu Ming, Andrew

## COMPANY SECRETARY

KAN Siu Yim, Katie

## LEGAL ADVISER

Chiu & Partners
40th Floor, Jardine House
1 Connaught Place, Hong Kong

## AUDITORS

Ernst & Young
Certified Public Accountant
Registered Public Interest Entity Auditor under the Accounting and Financial Reporting Council Ordinance
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

## PRINCIPAL BANKERS

CTBC Bank Co., Ltd.
The Hongkong and Shanghai Banking Corporation Limited
Citibank Taiwan Ltd.

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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Suite 3204, Unit 2A, Block 3, Building D
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## HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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Stella International Holdings Limited
九興控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1836)

** for identification purpose only*